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Chairman:	Mr. PAPADATOS	(Greece)
later:	Mr. GIANELLI	(Uruguay)
later:	Mr. PAPADATOS	(Greece)

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The meeting was called to order at 3.10 p.m.

AGENDA ITEM 79: DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION (A/45/3, A/45/25, A/45/64; A/45/73-S/21065, A/45/74-S/21068; A/45/113 and Add.1; A/45/138-S/21161, A/45/160-S/21182, A/45/168-S/21187; A/45/276-E/1990/88; A/45/299, A/45/303; A/45/310-S/21355; A/45/334-E/1990/100; A/45/350; A/45/381-E/1990/118; A/45/451, A/45/487, A/45/491, A/45/584, A/45/597; A/45/598-S/21854; A/C.2/45/5, A/C.2/45/L.4)

(a) INTERNATIONAL DEVELOPMENT STRATEGY FOR THE FOURTH UNITED NATIONS DEVELOPMENT DECADE (1991-2000) (A/45/41)

(d) FOOD PROBLEMS (A/45/19, A/45/583)

(e) NEW AND RENEWABLE SOURCES OF ENERGY (A/45/36)

(f) DEVELOPMENT OF THE ENERGY RESOURCES OF DEVELOPING COUNTRIES (A/45/274 and Corr.1)

1. Mr. AHMED (Under-Secretary-General for International Economic and Social Affairs) said that the new International Development Strategy embodied a well-conceived and coherent philosophy of development which was also highly flexible and reflected a geniune consensus with respect to the shape and direction of international co-operation for development in the years ahead.

2. The new Strategy was in tune with the spirit of the times, for it placed the human condition at the centre of development and sought to improve the well-being of the people. Every country had the responsibility to adopt national policies and support international actions for the attainment of the goals of development. The reactivation of development in developing countries should be the goal of the entire international community and was also a necessary condition for the eradication of poverty and the preservation of the environment. At the international level it was necessary to solve the problem of external debt and issues relating to development finance, international trade and commodities.

3. The growth of the world economy required strong and stable economic policy frameworks both at the national and international levels and the co-ordination of macroeconomic policies as well as the adoption of national policies for the mobilization of national financial and human resources and the development of science, technology, industry and agriculture. It was also essential to eradicate poverty and hunger and to give special attention to human resource and institutional development, population, environment and the special situations of the least developed and other special categories of countries. Emphasis was also placed in the Strategy on the responsibility of the United Nations for the pursuit of those goals and objectives.

4. Whether development could be reactivated in the decade ahead would depend very much on how far the new Strategy and the Declaration adopted at the eighteenth special session of the General Assembly influenced national policies in all

countries. It must be remembered, moreover, that the situation in the Persian Gulf constituted a threat to the world economy, as the sharp rise in the price of oil might cause a recession in the North which would in turn cause a further deterioration in the South through falling terms of trade and higher interest rates. But an augmented repetition of the experience of the 1980s must not be allowed to occur. It was therefore vital for Governments to respond to the global consensus reflected in the new Strategy and the Declaration.

5. One of the phenomena that had been holding back development since 1983 was the large swing in the pattern of financial flows away from developing countries, which had led to a net negative transfer of over $200 billion for those countries every year. As the Secretary-General's report on the subject (A/45/487) indicated, that trend continued and was even growing; it was thus not a short-term phenomenon. For most of the developing countries the swing from inflows to outflows had been sudden, and had come at a stage of development when they were ill-prepared for it. Only a few countries in East Asia had been able to sustain high growth rates and a current accounts surplus through exceptionally high growth in manufactured exports, neutral or favourable terms of trade changes and high domestic savings. In the vast majority of developing countries, however, the outward transfer was associated with a deterioration of the terms of trade and a decline in the rates of investment and growth.

6. The policies required to reduce the negative transfer, increase export capacity, control inflation and create a climate of confidence which would make it possible to increase domestic savings and investment were outlined in Part V of the report. But the success of those measures would depend on the reduction of external debt and debt service, a higher degree of stability in the flows of international finance for development and greater market access for the exports of developing countries.

7. The Secretary-General's report on developing human resources for development (A/45/451) emphasized the need for strengthening nutrition, primary health care, education and training as a means of strengthening human capabilities and ensuring the full participation of the people in the development process. For those national efforts to succeed, however, strong international support must be provided in order to enable Governments to divert their attention from the short-term problems of adjustment to longer-term policy goals like the development of human resources. Multilateral development institutions could play a crucial role in providing both financial and technical support for the implementation of effective policies for human resource development.

8. For some years, the Department of International Economic and Social Affairs had foreseen the possible emergence in the 1990s of energy problems that could have serious consequences for the world economy and particularly for the developing countries. The wide fluctuations in energy prices and their collapse in the mid-1980s had discouraged investment in the exploration and development of energy resources, particularly in developing countries. Meanwhile, on the demand side, the trends of the past 20 years indicated that developing countries needed

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(Mr. Ahmed)

increasingly more energy for their growth; even before the Gulf crisis, their oil import bills had risen by 50 per cent in three years from $20 billion in 1986 to $30 billion in 1989. Energy demand in the developing countries was expected to continue to grow at an annual rate of 4.5 per cent and half of the total increase in world energy demand was expected to be in developing countries.

9. Even prior to the Gulf crisis, one of the most important developments in the world energy situation had been the rapidly closing gap between the level of demand and sustainable production capacities in OPEC member countries, which were approaching the limit of their current production capacity. Furthermore, the 1980s had witnessed a decline in proven oil reserves in developed market economies and the Soviet Union. With prospects of demand for OPEC oil increasing at a rate of 1 million barrels a day on an annual basis during the 1990s, there was an urgent need for new investments in order to avoid shortages and upward pressures on prices.

10. The report submitted contained the outline of a programme of action for the acceleration of energy exploration and development in the developing countries in which a number of suggestions were made for national action and emphasis was laid on the need for expanded international co-operation in financing the transfer of modern energy technologies and improving efficiency both in the production and use of energy in the developing countries.

11. The Gulf Crisis had already caused serious hardships in many of the oil-importing developing countries. They would probably have to spend between $45 and $60 billion on oil in 1991, as against 1989's $30 billion. For many of those countries, that would be an unbearable additional burden, unless appropriate facilities were set up in the World Bank and IMF for making resources available to the most seriously affected countries on very favourable terms. In addition, as proposed in an earlier session, a mechanism could be set up to finance oil and gas exploration and development by mobilizing both public and private resources in the energy-deficient countries.

12. The report of the Committee on the Development and Utilization of New and Renewable Sources of Energy (A/45/36) showed that some progress had been made in the application of mature technologies in several developing countries, and that many countries, as a consequence of the current energy crisis and of environmental concerns, were showing renewed interest in new and renewable sources of energy. The year 1991 would mark the tenth anniversary of the adoption of the Nairobi Plan of Action, and the Committee had therefore decided to review the progress achieved and identify measures for speeding up its implementation. It was to be hoped that that would result in a revival of concerted national and international action in that important area.

13. In conclusion, he assured the Committee that he and his Department were ready to provide every possible assistance for the success of its deliberations.

14. Mr. TRANT (Executive Director of the World Food Council) said that at their first ministerial session in 1990, the Ministers of the World Food Council had

discussed the new challenges and opportunities of the decade just beginning. They had reviewed progress made in the implementation of the Cairo Declaration, and reaffirmed their commitment to its four main goals, namely: the elimination of starvation and death caused by famine; a substantial reduction of malnutrition and mortality among children; a tangible reduction in chronic hunger; and the elimination of the major nutritional deficiency diseases.

15. The Council had agreed that the achievement of those goals was realistic, given the improved political climate which had been clearly evident at the eighteenth special session of the General Assembly on international economic co-operation and development. It was a striking testimony in that respect that the Council's hunger-eradication goals had been included as priority items in the new International Development Strategy.

16. During the meeting already referred to, the Council had called for the renewal of the Green Revolution through the application of new technologies which would be environmentally sound and socially and culturally appropriate, to provide the food needed by populations growing ever larger. It had to be ensured that such technologies actually reached the farmers who needed them.

17. The Council had reaffirmed its support for national food strategies, and the need both to integrate them into national macro-economic policies and to link them with economic adjustment programmes. The Council also welcomed the greater attention being given to hunger and poverty in the development assistance programmes of the industrialized countries, while also observing, however, that many developed countries were not providing enough official development assistance to accomplish their proclaimed development objectives. The Ministers had noted the importance of investment and debt relief, and the need to maintain and increase total resource flows to the developing countries, especially in the light of changes in Eastern Europe. They had also cited the importance of trade liberalization and improved access to markets for developing countries. The Council had stressed the importance for food security of a more complete inclusion of agricultural trade under GATT rules and disciplines, and requested the Council Secretariat to inform them of the effects on food security of the results of the Uruguay Round. The Council once again noted the need to improve co-ordination between international development agencies whose activities affected food security, and called on the President and Executive Director of the Council to take measures to promote such co-ordination. The Ministers had also reviewed some past initiatives supported by the Council, such as the adoption by UNDP of the Umbrella Project for the Promotion of South-South Co-operation in the Food and Agricultural Sector.

18. In addition, in February 1991, the President of the Council would chair an interregional conference, which would examine the food situation in various areas of the developing world and formulate an international co-operation strategy for the transfer and application of agricultural technologies. Regarding the proposal, accepted in principle by the Council in Cairo, for an international agreement on the safe passage of emergency food aid, the Ministers had instructed the Council

(Mr. Trant)

secretariat to continue its consultations with other international organizations to develop specific guidelines. They had also recommended that the United Nations Secretary-General should seek the support of the General Assembly at its forty-fifth session for the drawing up of an international draft agreement.

19. Mr. OULD-ABDALLAH (Special Co-ordinator for New and Renewable Sources of Energy) said that following the events of the summer, many speakers had referred to the energy question, but he regretted that just as 10 years earlier the energy issue was raised only in connection with a crisis, rather than in its real long-term perspective. The development of renewable sources of energy should not be linked to fluctuations in the oil market, because that would be unfair to those billions of human beings who had very little access to commercial forms of energy.

20. It had to be remembered that the Nairobi Programme of Action for the Development and Utilization of New and Renewable Sources of Energy, adopted 10 years ago, had had the objectives of reducing tensions on the energy market, promoting stability in the balance of payments of energy-importing countries, and improving and modernizing the way of life of people living in rural and isolated areas of developing countries. As a result of the current crisis there had been an unjustified increase in the prices of oil, which had little to do with the way of life of the vast majority of the people of the third world, who had little or no access to modern sources of energy such as coal, oil and gas. The farmers and stock-breeders of the developing countries used mainly renewable sources of energy such as biomass, firewood and water power.

21. The Nairobi Programme of Action remained valid for three reasons: the prospect that the world might run out of fossil fuel sources and their substitution by renewable sources of energy; the increase in the demand for energy in the developing countries, owing to population growth and the needs of economic development; and the increase in the demand for energy in the countries of central and eastern Europe. A new factor, and one which was an incentive for the promotion of renewable energies, was the protection of nature and the need to take into account the repercussions of the exploitation, transfer and consumption of energy on the environment. Fossil fuels were the main source of emissions of carbon dioxide (CO_2) and of chlorofluorocarbons (CFC), which could affect the ozone layer. In that context, the importance should be emphasized of renewable sources of energy which were less harmful to the environment.

22. The Nairobi Programme of Action remained important for the forthcoming United Nations Conference on Environment and Development and, as the Minister for Foreign Affairs of Austria had said in the General Assembly, the time had come to adjust national energy policies to the new environmental challenges. Moreover, when the environmental costs of the various sources of energy were taken into account, it was clear that the most promising renewable sources of energy (solar, wind and biomass) were relatively competitive and had a milder impact on the environment. In that connection, the Committee on the Development and Utilization of New and Renewable Sources of Energy had recommended, in April 1990, the preparation of a study to be submitted to the Conference on Environment and Development. Thanks to

(Mr. Ould-Abdallah)

the financial and technical support of the Government of Sweden, preparation of the study was well under way; the Governments of France, Germany, Denmark and Italy should also be thanked for their pledge of generous support. The Committee on the Development and Utilization of New and Renewable Sources of Energy had also recommended that funds should be mobilized to promote still further alternative sources of energy, to constitute an up-to-date database and to implement the Castel Gandolfo proposal for the establishment of an international network of centres of excellence in the field of renewable sources of energy, and that the implementation of the Nairobi Programme of Action should be evaluated in 1991, the tenth anniversary of its adoption.

23. After stressing the importance of diversifying energy supplies to safeguard the stability of the world economy and protection of the environment, he drew attention to the need for both the public and the private sector to support faster implementation of the Nairobi Programme of Action. There should be a recommendation in favour of establishing an international agency for solar energy, on bases similar to those which had led to the creation of the International Atomic Energy Agency at Vienna. In conclusion, he remarked that the financial and techical means of diversifying the energy supply existed, and that all that was lacking was the political will to apply them.

24. Mr. MARTOHADINEGORO (Joint Inspection Unit) introduced the report entitled "Human resource development through technical co-operation" (A/45/113). The Joint Inspection Unit had, over the years, issued several reports on technical co-operation activities carried out by the United Nations system, within which human resource development had been dealt with in varying degrees. The study being presented, however, was a first attempt to stimulate the effort made so far by the United Nations organizations in that field with a view to having human resource development treated as a special theme. To prepare the study a number of case studies had been carried out and consultations held with United Nations officials and government representatives in order to see how the United Nations system responded to that important subject. A large amount of documentation had been reviewed and analysed for that purpose, particularly evaluation reports of a number of specialized agencies in the area of human resource development, and assessments of the general human resource situation. The examination had covered the following organizations of the United Nations system: UNDP, the Department of Technical Co-operation for Development, UNEP, the regional commissions, IAEA, ICAO, FAO, IMO, WIPO, ITU, UNESCO, ILO, WHO, WMO and UPU. Although some positive results had been identified, the study had revealed overlaps in outputs, duplication of effort, and other problems indicating the need for a more co-ordinated approach in order to achieve greater goals in human resource development, on which several hundred millions of dollars were being spent.

25. In recommendation 1 of the study, the Secretary-General was authorized to establish an inter-agency "focal point" whose main responsibilities would be to monitor and assess co-ordination of programme preparation and implementation by Member States and United Nations agencies in the field of human resource development, to advise Member States and the agencies concerned, and to report

(Mr. Martohadinegoro)

annually to the General Assembly on results, proposals and new developments in that field. Responsibility for co-ordination could be assigned to UNDP. In recommendation 2, attention was drawn to the need for human resource development activities in general, and those executed by the United Nations system in particular, to be more oriented towards the promotion of human fulfilment at the grass-roots level, thereby ensuring that people whose labour was needed would become willing and active participants in the development process. In recommendation 3, Member States were invited to consider human resource development and its integration in their development process as a permanent agenda item of the meetings of the Ad Hoc Committee of the Whole for the Preparation of the International Development Strategy for the Fourth United Nations Development Decade (resolution 43/182).

26. The Joint Inspection Unit continued to believe that implementation of its recommendations might be facilitated if the General Assembly were to approve recommendations in a report specifically when it agreed with them.

27. Mr. Gianelli (Uruguay) took the Chair.

28. Mr. UL HAQ (United Nations Development Programme) said that the theme of the development of the individual was beginning to take pride of place in the general debate on development in the 1990s. The concept of human development, which went beyond human resources development, basic needs or participation, must be clarified. It was, in essence, a matter of enlarging a person's options. Those options concerned not only income, but also health, education, the environment, personal freedom and political freedom.

29. Human development, as defined in the Committee, meant the development of people, which meant investment in them and for them, in other words, providing for the basic needs of the people at various stages of development, as well as investment by them: in other words, those who benefited from development should also be its agents.

30. It was wrong to suggest that economic growth was not necessary for human development. It was even more wrong, however, to say that economic growth automatically resulted in human development. Many countries with larger per capita income than others nevertheless had lower literacy rates and higher rates of infant mortality. Those differences were the product of administrative inefficiency on the part of Governments, maldistribution of income and land, and unequal access to credit and economic opportunities, all of them factors preventing growth from being transferred to the people. It was therefore necessary to study societies carefully, from the point of view of the human structure, in order to see how economic opportunity could be fairly distributed so as to create a linkage between growth and human development.

31. At the national level, it was necessary, on the one hand, for the developing countries to revise their priorities, especially in respect of national budgets, and particularly the balance between the budgets for social expenditure and

military expenditure, respectively. In the last 30 years, military expenditures of those countries had increased three times faster than those of the developed countries. In the poorer countries, military expenditure was often three times that spent on education and, in the current third world, there were eight times fewer doctors than soldiers.

32. In the post-cold-war period, the question to be asked was whether it was possible to incorporate the third world in the peace process and whether peace could be achieved in the industrialized world when 80 per cent of mankind was excluded from that process. In addition to the traditional themes of the disarmament process, study must also be given to the possibility of gradually dismantling military bases in the third world and of stopping the flow of high-technology weapons to those regions.

33. At the same time, there was a need to restructure the respective functions of the private and public sectors. Although there was a change under way in the delivery of social services, and although the private sector was assuming greater responsibility in that regard, there must be a balance in the participation of the two sectors. Many financial institutions in the developed countries had begun to advocate dismantling the social services in the developing countries, although in fact their Governments spent only 4 to 5 per cent of GNP on those services, while in the developed countries the proportion was 15 to 20 per cent.

34. That question was highly important, as were the questions of trade, the transfer of resources, debt, and commodity prices, all of which were generally viewed as isolated phenomena, but all of which were linked with each other and with the creation of economic opportunities. It must be asked whether those opportunities were fairly distributed.

35. From the standpoint of human development, it had to be borne in mind that an unprecedented change was taking place in the demographic balance. In the 1950s, 30 per cent of the population had lived in the industrialized countries, and the rest in the developing countries. Currently, only 7 per cent of the world's children were born in the industrialized countries and the remaining 93 per cent in the third-world countries. Unless resources and opportunities were transferred and redistributed so as to reach the people, the people would flock to get them, from the third world to the developed countries on a scale hitherto unknown. No barrier could fend off the desperate third world, if its peoples were denied development opportunities.

36. In view of the foregoing, human development should be carried out by means of concrete activities in the 1990s: by including social objectives in economic plans and preparing new monitoring systems, new project designs and new evaluation criteria. That new approach was already being applied by UNDP, in co-operation with UNICEF and other organizations, in 15 countries.

37. At the international level efforts must be made to combine the various individual issues and to express them in general terms, by analysing what economic

(Mr. Ul Haq)

opportunities were being distributed world wide and how they ought to be distributed in the 1990s. Furthermore, thought must also be given to recasting the procedure for considering the items within the United Nations system, in order to consolidate them within a flexible political and human framework, such as an economic security council within the Organization representing the entire human race.

38. Mr. NAVAJAS MOGRO (Bolivia), speaking on behalf of the Group of 77, said that the item before the Committee was perhaps one of the most important on its agenda. In its recent ministerial Declaration (A/45/584), the Group of 77 had stated its position regarding the close link between international economic co-operation and the development of the developing countries. New risks and requirements had arisen affecting the developing countries' new development strategies, which constituted a weighty argument in favour of international co-operation for development. That co-operation must be reflected in a substantial improvement in the international economic environment.

39. With regard to human resource development, one of the seven specific areas of international co-operation for development, the Group considered that, as was clearly revealed by the report of the Secretary-General on developing human resources for development (A/45/451), there was an indissoluble linkage between education, the acquisition of specialized knowledge, technical training, and economic growth and sustained development. The Group was also of the opinion that, in order to promote human resource development in the developing countries, special emphasis would have to be placed on the solution of problems in the related areas of health, nutrition, employment and population. Those areas, more than ever before, must be borne in mind by the international community, and in particular the developed countries, in planning aid. In the previous decade, according to the report of the Secretary-General, the impact of the economic crisis had made it more difficult than before to allocate national resources for education, nutrition and health, and the situation appeared to have worsened, particularly in the area of health, owing to the difficulties encountered by the developing countries in importing standard medicines and medical equipment. The Group was thus preparing a draft resolution on the item.

40. The Group had repeatedly drawn attention to the need to reverse the net transfer of resources from the developing countries to the developed countries, a long-term phenomenon which had had adverse effects on the developing countries' growth, depriving them of the resources indispensable for their development. In that regard, in addition to the external debt of the developing countries and the consequent overall fall in international flows of capital to the third world, it was important not to overlook the influence of such factors as the deterioration in the developing countries' terms of trade, the fall in international prices for their commodities and the persistence of protectionism and other trade measures applied by the developed countries.

41. As the Secretary-General's report indicated, bold efforts were needed to revitalize growth and development in the developing countries: at the national

(Mr. Navajas Mogro, Bolivia)

level, fiscal adjustment, export diversification and the creation of a climate conducive to domestic savings and investment, so as to permit the return of flight capital; at the international level, a solution to the debt problem, stabilization of commodity prices and the elimination of protectionist measures against products from developing countries. To achieve that, it would be necessary to reduce the debt substantially, to increase official development assistance, to ensure success of the Uruguay Round of multilateral trade negotiations, and to strengthen multilateral macro-economic monitoring, in order to correct the economic and financial imbalances in the world economy, and to establish an equitable and effective mechanism for co-ordinating multilateral macro-economic policies, with due account taken of the needs and interests of the developing countries. The Group would be submitting a draft resolution on the subject.

42. The Group had taken note of the report on patterns of consumption and qualitative indicators of development (A/45/491), prepared by the United Nations Research Institute for Social Development, and urged the international community to support the convening of a meeting of experts at Rabat, Morocco, to study methodological questions and conceptual aspects of the measurement of patterns of consumption and to consolidate research on the subject.

43. The international community should also strive to implement the recently adopted International Development Strategy for the Fourth United Nations Development Decade as soon as possible. The Group would be submitting a draft resolution on the subject.

44. Despite the many resolutions and decisions adopted since the 1974 World Food Conference, hunger and malnutrition had increased, confirming the need for the international community to assign priority to that question in the context of the developing countries' development process. Steps must be taken to increase agricultural output and productivity in the developing countries, in order to lay the foundations for their industrialization and raise their level of food self-sufficiency. It was also necessary to eliminate the factors distorting international trade in agricultural products, including the measures applied by the developed countries to protect domestic production, market access, export subsidies and health and plant health measures. It was to be hoped that the Uruguay Round would deal satisfactorily with that question in view of the needs of developing countries that were net importers of food. The Group would be submitting a draft resolution on the subject.

45. The energy crisis of the 1970s had led to the Nairobi Programme of Action, originally drafted by the Group of 77, and included in the report of the United Nations Conference on New and Renewable Sources of Energy, held in 1981, the purpose of which had been to solve the energy problems of all countries, including the developing countries. According to recent data, per capita consumption of commercial primary energy of the developing countries as a whole had stagnated in recent years and represented barely 10 per cent of average per capita consumption in the developed countries. The Group had pointed out in its recent Ministerial Declaration that energy was crucial to the growth of the developing countries. In

(Mr. Navajas Mogro, Bolivia)

that regard, it was a matter for concern that so little progress had been made in development and utilization of new and renewable sources of energy, which was all the more important in that it was a long-term effort, independent of short-term fluctuations in the energy situation.

46. Mr. Papadatos (Greece) resumed the Chair.

47. Mr. PETRONE (Italy), speaking on behalf of the 12 States members of the European Community, said that human resources development had been recognized as the cornerstone of the development strategies of the 1990s. After emphasizing the importance of the Human Development Report prepared by the United Nations Development Programme, which had provided the conceptual basis and guidelines for national policies and international co-operation in that area, he referred to the report of the Secretary-General on the subject (A/45/451), which gave a clear picture of how key social indicators should be taken into account as a point of reference in the development process and how literacy, primary health care services, nutrition and education were prerequisites for economic growth in the developing countries. Furthermore, in human resources policies, special emphasis should be placed on population growth and family planning, in order to avoid an aggravation of already difficult social, economic and environmental problems. To that end, more resources had to be allocated to nutrition, health and education programmes and substantial reorientation was needed in the distribution of resources between various needs.

48. It must be recognized that structural adjustment placed a strain on the budgets of many developing countries, and it was therefore important to set the right priorities in public expenditure, taking into account the relaxation of international tensions, which should provide an opportunity to reduce military spending world wide and free resources for human resources development.

49. The European Community was already contributing to programmes for human resources development and would continue to give high priority to that issue in its development co-operation. The Community agreed with the observation in the report of the Secretary-General that human resources development was both a source of immediate gains in human well-being and a crucial means of expanding the productive capacity of economies. Education, health, nutrition and acquisition of skills were fundamental aspects of any development plan, but they must be coupled with a democratic and accountable political system, popular participation and respect for human rights and fundamental freedoms.

50. The Twelve believed that popular participation was vital for human resources development, for it made it possible to identify social services needs and distribute those services in a more equitable manner. It was important fully to utilize the experience of non-governmental organizations and local communities. It was also appropriate to stress the importance of enhancing systems of primary education and training as components of each economic and social programme, and of the role which women should play in development through full participation in decision-making and equitable access to economic and social progress.

(Mr. Petrone, Italy)

51. While the report of the Secretary-General on trends in the transfer of resources to and from the developing countries (A/45/487) provided useful information, the Twelve felt that it did not draw a clear distinction between the financial transfer of resources and the transfer of resources as a whole. The discussion of the deterioration of terms of trade referred to trends in the prices of commodities and to their desired stabilization. The European Community recognized that, in the short term, compensatory mechanisms for stabilization purposes and for the support of productive capacity and diversification could be of great assistance; however, it also believed that the long-term adverse trend in real commodity prices should be adjusted through domestic economic reforms supported by international co-operation, whether bilateral or multilateral, with a view to promoting enhanced productivity, vertical integration and diversification.

52. The Twelve also believed that the aggregate data on the net transfer of resources for all the developing countries could cause confusion. The net transfer of resources was not per se an indicator of the performance of an economy, let alone if it was used as a measure of economic progress for groups of countries, in particular the developing countries. It should be noted that there were newly-industrialized countries in South-East Asia with a net negative outflow of resources, but with very successful economic indicators, and that in most sub-Saharan African countries the economic situation was very critical, although some of those countries had registered a modest net positive inflow of resources, with the result that they no longer were able to attract foreign loans and investments, but only grants. Official development assistance flows remained stagnant, while the difficulties of those countries increased. Moreover, the problem did not directly affect the oil-exporting developing countries. There were, furthermore, highly indebted developing countries, particularly in Latin America, whose problems were entirely different. In Latin America, net negative transfers were indicators of the difficulties which those countries faced, but they were able to attract new external resources. According to the World Economic Survey 1990, outflows of resources had increased substantially in 1988, but had decreased in 1989. The task of redressing the situation of outflows of resources was indeed linked with the implementation of debt strategy and economic reforms, and the corresponding financial flows.

53. The Twelve did not quite understand the meaning of the statement that in the most recent years, official transfers on the whole were positive only when grants were included in the estimate, since they believed that grants, within the entire spectrum of development aid, were a basic component, particularly for the poorest countries, and should therefore be taken fully into account in the estimate of financial transfers to and from developing countries.

54. The European Community recognized that capital flight from developing countries had been caused by both external and domestic factors and that it could not be attributed to inflation alone. Domestic economic policies, including excessive public expenditure and lack of reliance on market forces, had perhaps been the overriding cause of economic disorder, recession and inflation in many developing countries, and the readjustment of public finance and the restoration of

(Mr. Petrone, Italy)

a climate of confidence in the domestic economy were prerequisites for curbing inflation, promoting repatriation of capital and encouraging foreign investment.

55. The adjustment process was painful, but it was better than economic chaos, recession and social injustice. Those developing countries which adopted measures of economic adjustment and gave priority to the reallocation of domestic resources to essential community services in favour of the poorest and most vulnerable sectors of the population were in a better position to attract external support from multilateral institutions, bilateral donors and investors.

56. With regard to new and renewable sources of energy and the development of the energy resources of developing countries, the European Community believed, as it had stated at the second regular session of the Economic and Social Council in 1990, that new investments were needed to increase energy production capacities in the developing countries; energy should be used efficiently and conditions favourable to foreign investment in the development of energy resources should be created; rural and poor urban populations required low-cost energy to meet their basic needs; and new and renewable sources of energy were of the utmost importance for the protection of the environment.

57. The developing countries needed external assistance to design and implement adjustment programmes, develop domestic environmentally sound energy sources, and increase their capacity to acquire and utilize energy-saving technologies. Moreover, because of the Gulf crisis and the sudden increase in the price of oil to over $40 per barrel, the developing countries would have to spend substantially more to import oil, thus offsetting a large share of their net export revenues.

58. The need for new investments in domestic energy production to replace oil imports, realistic domestic energy prices, energy conservation policies and the development of new and renewable sources of energy was even more urgent in the light of those events. The European Community, taking stock of the current difficulties, renewed its commitment to international co-operation with a view to elaborating and implementing appropriate policies and measures.

The meeting rose at 5.15 p.m.

UNITED NATIONS

General Assembly

FORTY-FIFTH SESSION

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SECOND COMMITTEE
20th meeting
held on
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at 10 a.m.
New York

SUMMARY RECORD OF THE 20th MEETING

Chairman: Mr. PAPADATOS (Greece)

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The meeting was called to order at 10.20 a.m.

AGENDA ITEM 79: DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION (continued) (A/45/3, A/45/25, A/45/64, A/45/73-S/21065, A/45/74-S/21068, A/45/113 and Add.1, A/45/138-S/21161, A/45/160-S/21182, A/45/164-S/21187, A/45/276-E/1990/88, A/45/299, A/45/303, A/45/310-S/21355, A/45/334-E/1990/100, A/45/350, A/45/381-E/1990/118, A/45/451, A/45/487, A/45/491, A/45/584, A/45/597, A/45/598-S/21854; A/C.2/45/5; A/C.2/45/L.4)

(a) INTERNATIONAL DEVELOPMENT STRATEGY FOR THE FOURTH UNITED NATIONS DEVELOPMENT DECADE (1991-2000) (continued) (A/45/41)

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(e) NEW AND RENEWABLE SOURCES OF ENERGY (continued) (A/45/36 and Add.1)

(f) DEVELOPMENT OF THE ENERGY RESOURCES OF DEVELOPING COUNTRIES (continued) (A/45/274-E/1990/73 and Corr.1)

1. Mr. VASILIEV (Union of Soviet Socialist Republics) said that his delegation welcomed the completion of work on the international development strategy for the fourth United Nations development decade. The emphasis on the eradication of hunger, poverty and disease, the protection of children, and environmentally and demographically sound development were in keeping with the times, as were the recommendations on the reduction of military expenditure. His delegation underscored the importance of the strategy's assessment of the radical changes taking place in the Soviet Union and Eastern Europe and the observation that the integration of those countries into the world economy could contribute to the strength and dynamism of world trade. The Soviet Union hoped that the General Assembly at its current session would not only unanimously adopt the agreed text of the international development strategy but would also take other decisions to develop further specific parts of the strategy.

2. The effective solution of food problems was an important aspect of international co-operation in the economic and social fields. An analysis of the current world food situation and of prospects for its development pointed to the inadequacy of the current efforts to overcome the steady increase in number of cases of malnutrition throughout the world. In addition to effective national measures to mobilize domestic material and human resources - which should constitute the basis for a solution of food problems in specific countries - a favourable external economic environment was essential; in particular, the situation in the area of the international food trade should be improved. His delegation agreed with the conclusions of the World Food Council (WFC) at its sixteenth session that the last decade of the century should be marked by a more just and open world trading system. In that regard a successful outcome to the Uruguay Round of trade negotiations would be of great importance.

3. The introduction of new techniques and technologies for food production, processing and storage and the widespread use of the achievements of biotechnology

(Mr. Vasiliev, USSR)

were becoming increasingly important, and international co-operation in that area and the exchange of technology should be open to all States without exception. The active contribution of the United Nations system to the successful solution of world food problems required improved co-ordination and complementarity of the efforts of the numerous international governmental and non-governmental organizations dealing with food problems under the auspices of WFC, the Food and Agriculture Organization of the United Nations (FAO), the World Food Programme (WFP) and the International Fund for Agricultural Development.

4. His delegation supported the inclusion of the economic bodies, organs and organizations of the United Nations system in the comprehensive analysis of energy problems. An assessment of various aspects of the energy situation could be carried out by experts from the United Nations and other international institutions, and also by non-governmental organizations and scientific centres.

5. The destabilization of the world energy situation had revived interest in new and renewable sources of energy. While those sources of energy would not be able to replace oil, gas, coal or nuclear energy in the foreseeable future, they could serve as supplementary sources of energy in regions where conditions favoured their efficient use. Another advantage of such sources of energy was that they were relatively benign. A long-term strategy for the development of energy resources should be based on the optimum combination of traditional and non-traditional sources of energy.

6. His delegation consistently supported the measures being taken to improve the co-ordination of energy programmes within the context of the Nairobi Programme of Action for the Development and Utilization of New and Renewable Sources of Energy. The Soviet Union hoped that the Committee on the Development and Utilization of New and Renewable Sources of Energy would make its contribution to the preparation of the United Nations Conference on Environment and Development.

7. In his report on human resources for development (A/45/451), the Secretary-General once again drew attention to the enduring significance of the human factor in the successful achievement of social and economic objectives. Effective United Nations action in the area of human resources development, in particular the promotion of a broad exchange of information and experience, was becoming increasingly important.

8. Mr. DJOGHLAF (Algeria) noted that the specific measures proposed in the Nairobi Programme of Action had still to be implemented, and that its promises had still to be translated into deeds. In August 1981, when the Programme had been adopted, new and renewable sources of energy had met about 15 per cent of world energy demand. Currently, they accounted for only 14 per cent. That state of affairs could not be attributed solely to the increasing instability of the energy market over the period. The replacement of development plans by short-term structural adjustment programmes in response to the worsening debt crisis, and the various attempts to undermine multilateral co-operation, had also contributed to the failure to achieve the goals of the Programme. The drying up of resources available from the UNDP Energy Account and from the United Nations Trust Fund for

(Mr. Djoghlaf, Algeria)

New and Renewable Sources of Energy, testified to the lack of interest in the promotion of international co-operation in the field of new and renewable sources of energy. That was undoubtedly one of the reasons for the failure to implement one of the areas for priority action under the Programme - namely, transfer, adaptation and application of technology for the benefit of the developing countries. Third world countries continued to be at a disadvantage with regard to such transfers, on account of its prohibitive cost. In that regard, it was reassuring to note that, at its fifth session, the Committee on the Development and Utilization of New and Renewable Sources of Energy had agreed to set up a committee of experts with a view to revitalizing the recommendations adopted at the Castel Gandolfo Colloquium of High-level Experts on New and Renewable Sources of Energy. His country reiterated its willingness to participate in setting up and consolidating the network of international multidisciplinary centres of excellence proposed by the participants in the Colloquium.

9. Despite its considerable hydrocarbon resources, at the start of the 1980s Algeria had committed itself to promoting other forms of energy, so as to meet its long-term development needs and those of future generations. In 1983, it had set up a programme to develop new and renewable energy sources, exploiting the country's abundant solar energy potential. Implementation of that programme had led to the setting up of a research and development centre for new and renewable sources of energy, and of a number of experimental energy plants and production units. The long-term objective of the programme was to make solar energy generally available throughout the south of the country. Algeria was intending to strengthen its co-operation in that field with all interested countries, particularly those of the Mediterranean basin.

10. Turning to the question of the implications of the oil price issue on the development of new and renewable sources of energy, he said that his delegation saw no need to link the two questions. Development of new and renewable energy sources must continue, regardless of fluctuations in oil prices. Any proposal aimed at creating a mechanism, institution or fund must be based on firm and reliable data, rather than on transitory considerations. Furthermore, any initiative on the matter by the Secretariat or the Secretary-General must be taken only after prior consultation with all United Nations Member States without exception.

11. Mr. OUALI (Burkina Faso), speaking on agenda items 79 (e) and (f), said that his country was faced with a twofold energy problem: on the one hand, excessive felling of trees for use as firewood threatened the country's ecological balance; on the other, the fact that Burkina Faso had no petroleum resources and no refinery led to an ever-increasing trade deficit. The population, urban and rural alike, relied mainly on biomass energy. Conscious of the threat to the country's development, the Government had defined a comprehensive energy policy, which emphasized development and utilization of new and renewable sources of energy. Burkina Faso had abundant solar energy resources, and agricultural residues also constituted a considerable energy potential. Over the past eight years, the Research and Development Programme of the Energy Institute of Burkina Faso (IBE) had developed alternative technologies to meet communities' needs and achieve energy savings concentrating on solar thermal energy and photovoltaic systems.

(Mr. Ouali, Burkina Faso)

Solar thermal energy was used, inter alia, for drying agricultural produce, thus contributing to solving the fundamental problem of achieving self-sufficiency in food. Wind energy was being used in irrigation and water supply projects. Several sites with hydroelectric potential had been identified, and one dam was already operational.

12. His country's policy in recent years had been to rely primarily on its own human and financial resources. Nevertheless, it now looked to the international community to support its efforts in that area. His delegation wished to thank donors for the aid they had provided, and to appeal for more financial resources for research in the sector of new and renewable sources of energy.

13. With regard to the role of the United Nations, his delegation noted that, on the eve of the tenth anniversary of the Nairobi Programme of Action, nothing agreed on in the Programme had as yet been accomplished and the developing countries continued to face numerous difficulties. If environmental protection was to be secured, the United Nations must play its role in the multilateral process of organizing a transition towards the use of new and renewable sources of energy, as part of a global energy policy and organs of the United Nations system responsible for those questions must be strengthened.

14. Mr. WILENSKI (Australia), speaking on agenda item 79 (d), on behalf of the Cairns Group of agricultural exporting countries, which comprised Argentina, Australia, Brazil, Canada, Chile, Colombia, Fiji, Hungary, Indonesia, Malaysia, New Zealand, the Philippines, Thailand and Uruguay, said that despite the fact that the level of world food production had been improved by advances in technology, dissemination of knowledge and the adoption of more effective agricultural policies, starvation and malnutrition remained a regular occurrence in some parts of the developing world, and there continued to be a great discrepancy between international levels of food production and access to food supplies. It was in the interests of both developed and developing countries that food should be produced and available at the most efficient market prices. Yet agricultural trade and production was currently governed, not by the efficiency of the market, but by an elaborate system of protection that distorted economic realities.

15. One major contribution that could be made to addressing international food problems would be the reform of the international trading system. A more liberal and market-oriented framework for agricultural trade would encourage stable and competitive food prices, promote greater predictability and diversity of supply, and provide a more favourable environment for investment in improved agricultural productivity. Developing countries would benefit thereby, both as producers and consumers of food. Their food security situation would be further enhanced through an expansion of trading opportunities, leading to an increase in foreign exchange earnings to support both debt servicing and necessary food imports.

16. Agricultural trade reform was one of the most important issues under discussion in the Uruguay Round of GATT negotiations and little time now remained in which to reach agreement on a reform package with the potential to benefit both developed and developing countries. Given the urgency of the task, progress in the

(Mr. Wilenski, Australia)

negotiations had been very disappointing. The Uruguay Round negotiations were focused on four elements of agricultural support and protection: border protection, internal support, export subsidies, and sanitary and phytosanitary regulations and barriers. Failure to agree on that agricultural package would signal the revival of creeping protectionism and the growth of exclusive trading blocs, to the serious detriment of prospects for growth and poverty eradication in developing countries.

17. The Cairns Group was comprised of those developed and developing countries which were able to produce food efficiently through application of market-oriented agricultural policies. Its members had urged those who distorted world agricultural markets to adopt a constructive approach to the negotiations. The Group was determined to ensure that the Uruguay Round did not conclude without a substantial outcome in agriculture. Having themselves undertaken major economic restructuring efforts and trade liberalization programmes, they called upon the industrialized countries to show leadership in the negotiations by presenting substantial offers for progressive reductions in market access barriers, internal support and export subsidies, and increased disciplines on sanitary and phytosanitary measures.

18. The Uruguay Round represented the last opportunity in the present century to provide an efficient framework for agricultural trade in the future. The prospects for resolving international food problems were closely linked to the outcome of the Uruguay Round negotiations. The Cairns Group therefore urged all parties to make every effort to advance the negotiations towards a successful and balanced outcome.

19. Mr. PIBULSONGGRAM (Thailand), speaking on agenda item 79 (d), said that while improved agricultural policies and techniques had enabled many former food-importing countries to become self-sufficient or even to export foodstuffs, starvation and malnutrition remained facts of life in many parts of the world. Furthermore, distorted market forces had deprived many developing countries of agricultural trade opportunities.

20. During its 16 years of operation, the World Food Council had had a profound impact on efforts to solve the problems of world hunger and malnutriton. At its sixteenth session, held at Bangkok in May 1990, the Council had concluded that the persistence of economic problems cast a disturbing shadow on the prospects for reducing world hunger in the 1990s, a view which his delegation shared. Consequently, co-operative action by all countries must be strengthened.

21. With regard to the Council's recommendation that food strategies should be integrated with macro-economic policies, his delegation believed that a conscientious food strategy framework would ensure low-income groups with security during periods of economic adjustment. Developed countries should endeavour to attain the target set for international official development assistance (ODA) to ensure the success of hunger alleviation programmes. His delegation also endorsed the Council's focus on the importance of improving the overall economic environment, as reflected in paragraphs 25 and 26 of its report (A/45/19).

(Mr. Pibulsonggram, Thailand)

22. His delegation supported the Council's call for a renewal of the Green Revolution, which necessitated a transfer of technologies and assistance to the developing countries. He commended the Council's decision to encourage an enhanced hunger focus and improved co-ordination between all relevant international agencies and governing bodies of the United Nations system.

23. The action-oriented recommendations of the Bangkok session should be fully implemented. Because Thailand was fortunate enough to be a food-exporting country, it had sought to play an active role on the Council. However, Thailand did not feel that its work on the Council was finished, and consequently hoped to be nominated to another term.

24. Compliance with GATT rules and procedures would help to ensure the success of food security programmes. Domestic support for agriculture and export subsidies had proven to be far too expensive and ultimately detrimental to all countries. The Cairns Group had put forward a comprehensive proposal for a long-term reform of agricultural trade which called for: reduction in existing tariffs and the conversion of non-tariff barriers to tariffs as a means of improving market access; a substantial reduction in domestic support measures; the prohibition of new export subsidies and a phasing out of existing subsidies; and special and differential treatment for developing countries, in accordance with their individual trade, financial and development needs, recognizing also the particular concerns of the net food-importing developing countries.

25. Special and differential treatment would help developing countries, particularly the least developed among them, to participate in the agricultural reform process, while implementation of the other provisions would help them achieve and sustain social and economic development. Although the Uruguay Round was nearly over, progress had been very slow. On 3 October 1990, the Association of South East Asian Nations (ASEAN) had appealed to the European Economic Community at Brussels to make a substantial improvement in the Community's offer to reduce the aggregate measure of support for the period 1986-1995. ASEAN also maintained that sustained or increased levels of protection for any product were unacceptable. A positive response to that request would go a long way towards ensuring the success of the Uruguay Round.

26. Mr. SORENSEN (Denmark), speaking on behalf of the Nordic countries, said that human resources development was increasingly being recognized as a prerequisite for development as well as a top priority by developing and donor countries alike. The conclusions of the Secretary-General's report on that question (A/45/451) made it clear that human resources development was both an instrument of development and an end in itself.

27. National human resources development policies would continue to be based on national sectoral strategies; however, a cross-sectoral approach was also critical. Cross-sectoral considerations had been analysed in depth in the Secretary-General's report and in the UNDP Human Development Report 1990. The importance of such considerations had also been demonstrated at the recent World Summit for Children. From those publications and forums, it had become clear that

(Mr. Sorensen, Denmark)

important components of human resources development were: the decentralization of authority and involvement of the people in the decision-making process; accountable government and respect for human rights and fundamental freedoms in order to motivate the population to contribute to the development process; the implementation of economic policies that stimulated market forces in the productive sector; the development of an efficient public sector which stimulated the development of the private sector; the full participation of women as agents in the development process; and the integration of non-governmental organizations, particularly indigenous ones, in development efforts at all levels.

28. At the global level, such cross-sectoral considerations must be reflected in development policies, including adjustment programmes. Even though structural adjustment might occasionally complicate the implementation of human resources activities, the Nordic countries were convinced that even adjusting economies could maintain human resources development as a top priority and secure new sources of funding for that purpose. The Nordic countries had many years of experience and considerable expertise in that area and were prepared to assist the developing countries through bilateral and multilateral channels.

29. Mr. SERSALE di CERISANO (Argentina) expressed support for the statement made by the representative of Bolivia on behalf of the Group of 77 on the item as a whole. His delegation believed that the sub-items on the international development strategy and food problems were interrelated and, in the case of his own country, interdependent, given that the implementation of the recommendations contained in the strategy would help to solve problems in international agricultural trade.

30. In the international development strategy, States undertook commitments that were consistent with the move towards liberalized trade which was to be the hallmark of the 1990s. The strategy made clear recommendations concerning appropriate trade policies, particularly in the area of agriculture and agricultural development, which his delegation supported. In reality, however, some of the major industrialized countries were taking measures that ran totally counter to the thrust of the strategy, hampering the reactiviation of development in developing countries. The representative of Australia had just shown how certain practices distorted international agricultural trade. Protectionism in its many forms had obvious implications for the concept of food security. Moreover, the industrialized countries were being inconsistent. While applauding the political and economic changes taking place in developing countries, changes which were the prelude to a more open economy, they were discouraging those countries' efforts to expand their exports, even though that was the only way to revitalize the economies of such countries.

31. The major industrialized countries, and the countries of the European Economic Community in particular, must shoulder their historic, moral and political responsibility by taking measures that would lead to substantive progress in the negotiations on agricultural issues in the Uruguay Round. That would be the best way for them to further the agricultural development of developing countries and thereby eradicate hunger and malnutrition.

(Mr. Sersale di Cerisano, Argentina)

32. Food problems related not only to trade but also to other aspects of the international development strategy, principally agriculture, which was the chief means of revitalizing economic growth during the 1990s, according to the strategy. Policy considerations which should therefore be borne in mind included: access to appropriate technology, pricing policies, the relationship to the industrial sector and, in general, measures affecting the production and distribution of and access to foodstuffs. If those issues were not dealt with in a comprehensive fashion, sustainable development could not be achieved. The reactivation of growth was the principal means of preventing environmental degradation in developing countries and the sole means of forestalling impoverishment in rural areas.

33. He concluded by expressing his delegation's support for the work of FAO, the World Food Programme, the International Fund for Agricultural Development and the World Food Council. He also suggested that the title of the sub-item "food problems" should be renamed "agricultural and food problems"; his delegation was prepared to consider the adoption of a comprehensive resolution on that item in which the question of agricultural and food production in developing countries was the central focus.

The meeting was suspended at 11.35 a.m. and resumed at 12.15 p.m.

AGENDA ITEM 83: EXTERNAL DEBT CRISIS AND DEVELOPMENT (A/45/380)

34. Mr. CRAXI (Personal Representative of the Secretary-General on Debt) introducing his report on the external debt crisis and development (A/45/380) said that the proposals it contained were designed to assist poor, semi-poor and "middle-income" countries in the major regions of the world. As the debt crisis was systemic in nature, a solution must necessarily involve all components of the system - banks, Governments and international financial institutions (IFI).

35. Currently, private debt accounted for only half of the overall long-term debt in the world. The other half, amounting to $466 billion, was owed to official creditors, including approximately $200 billion in IFI loans. Therefore, Governments, first and foremost, had a direct and indirect responsibility concerning official loans.

36. Under the first proposal, the bilateral debt servicing of poor countries would be virtually wrtten off. Ninety per cent of the debt would be cancelled and transferred to States as it matured, so that the burden on the budget of creditor States would be staggered over several years. The remaining 10 per cent would be converted into long-term loans on the terms offered by the International Development Association (IDA) (rate of 2 per cent, 30- or 40-year maturity) and repaid in indexed local currency. The residual amount would be channeled into trust funds, to which indebted Governments, international organizations and non-profit agencies could also contribute. Those funds would be earmarked for economic development, human and environmental protection and improvement, the protection of children and the elimination of drug abuse and drug trafficking.

(Mr. Craxi)

37. Similar measures were required for lower middle-income countries - (those countries whose per capita income was between $500 and $1,200) - including the gradual write-off of between 80 and 60 per cent of their bilateral debt service. The same technique, but with smaller reductions, should be applied to the bilateral debts of the middle-income countries. The application of such measures should not represent a loss of more than 0.1 per cent of the gross domestic product of creditor countries.

38. IFIs should increase payment facilities for poor countries by easing current limitations and they should extend similar facilities to lower middle-income countries, and perhaps even to countries undergoing exceptional crises, such as the energy crisis. New life must be breathed into IFIs, so that they could assume a more dynamic role in such areas as adjustment, debt conversion and infrastructural development and the provision of financial support to the Brady Plan as their capacity to grant the required concessions was enhanced. That capacity would be strengthened by the special drawing rights made available as a result of the decision to increase International Monetary Fund quotas.

39. The Brady Plan was a bold step in the right direction but it must be consolidated. More funds must be made available in order to broaden its sphere of action and enhance its effectiveness by adjusting to debtor countries' capacity to pay. Those capacities must be assessed in terms of the ratio between the interest rate payable after debt conversion and the growth rate of GDP. Much more significant discounts on principal and interest than the current 30-35 per cent would have to be offered. Probably, the discount should be between 50 and 60 per cent. To that end it would be important to increase guarantees on residual loans for debt servicing and debt stock. Tax, banking and accounting systems must be favourable to strengthening the Brady Plan. Other measures should include prefinancing in order to accelerate operations and provide an incentive for banks prepared to support the Plan in the short term. Debt buy-back should be contemplated where countries' capacity to pay was very low - either because their per capita income was low or medium-low, or their debt had a low value on the secondary market.

40. On his visits to the world's major banking institutes, he had noted a genuine, and very positive, if many-faceted, interest by Europe, the United States and Japan in the developing countries. That interest must be encouraged and bolstered by measures to reactivate the transfer of capital from the developed to the developing countries. Over the past decade, such capital transfers had been dangerously rare in the private sector. Official multilateral and bilateral financing agencies should implement such measures as cofinancing, insurance guarantees and co-insurance. It would be wise to diversify new funding instruments in order to avoid repeating the mistakes of the past.

41. The debt burden of the 1980s had prevented Latin America and the Caribbean from exploiting their enormous resources. Their overall gross product in the 1980s had increased by only 1 per cent annually, and by 0.1 per cent per capita. Setbacks in growth had hampered their capacity to pay and the debt crisis had fed on itself. A debt reduction and recycling plan, made possible by both official and

private sources, might serve to level, then reverse, the region's current financial drain of $25 billion annually.

42. Governments must offer possibilities for debt reduction and relief on official bilateral loans, comparable to the measures which commercial banks had accepted as necessary under the Brady Plan. IFIs must address their current zero balance with Latin America between disbursements and payments by granting special facilities similar to those adopted for the poorer countries, but on softer, concessional terms.

43. Concessional aid for infrastructure, "new money" instruments and the diversification of exports were among other major initiatives. Consideration should also be given to allowing certain countries to pay a portion of the interest in indexed, local currency bills, convertible at par value in local properties.

44. In Asia, the debt problem was particularly acute in India, Pakistan and Sri Lanka. In 1989, South Asia's gross domestic product had been $345 billion; it contained 30 per cent of the world's population and half the world's poor. The per capita income was only $280.

45. The growth rate of South Asia's GDP in the 1980-1989 period had been 5.5 per cent. Even so, despite the relative decline in 1989 (4.8 per cent), its development rate was still among the highest in the major areas of the world. According to World Bank forecasts, the poor in south Asia would still number 350 million by the year 2000. Continued attention must therefore be devoted to the debt problem of those countries.

46. Development in south Asia must rest on two pillars: an increase in agriculture commensurate with population growth, and growth in the industrial sector in order to modernize productive structures. In its report, the World Bank had pointed out that progress in Asia depended largely on development in China and India, failing which the prospects for poverty reduction would be much less favourable. Those two countries received little support for their growth and required major assistance in the form of IDA loans for infrastructure and investment subsidies.

47. With 110 million inhabitants, Bangladesh shared the record for poverty with a handful of countries in sub-Saharan Africa. Its per capita income had been $170 in 1988, and in the early 1980s, half the population was living in "extreme poverty", without sufficient food to lead a "reasonably active life". Debt forgiveness proposals for the poor countries must accord priority to Bangladesh. The debt of sub-Saharan Africa currently stood at $145 billion.

48. From 1980 to 1986, the debt burden had driven down the gross per capita income by 3.1 per cent, while consumption had dropped by 2.4 per cent and exports by 2.4 per cent annually in real terms. As a result, the ratio between debt-servicing and exports had deteriorated even further.

(Mr. Craxi)

49. At the same time, the 13 per cent deterioration in the terms of trade had pushed up prices and imports had dropped even more - by 7.5 per cent a year, slashing investment, maintenance and consumption. The overall influx of resources, through unsecured aid and multilateral and bilateral loans, had accounted for 7.3 per cent of the GDP - only 2.3 per cent of which had gone towards investment. That had led to a worrying decline in capital accumulation, which had sunk to 17.5 per cent, from 21 per cent, over the course of the 1980s. Failing drastic reductions and extraordinary concessional measures by IMF and the World Bank, the economic problems of the sub-Saharan countries would be insoluble.

50. Because of the interdependence between creditor and debtor countries in the Middle East, that region had been carefully dealt with in his report. Between 60 and 70 per cent of the debt in the region was owed to Governments, which should consider declaring a moratorium for, or restructuring the bilateral debt of, the countries most seriously affected by the crisis. Multilateral organizations must have sufficient liquidity in order to grant moratoriums and take special conversion measures, such as support funds designed to correct imbalances caused by the Persian Gulf crisis and to promote economic recovery. Arab donor countries should consider relaxing certain conditions on their revolving funds as a back-up to bilateral and multilateral measures taken by creditor countries of the Organisation for Economic Co-operation and Development.

51. At the end of 1988, the East European debt had amounted to $100 billion, of which Poland accounted for 40 per cent and Hungary, 20 per cent. In the transition towards a market economy, Poland and Hungary had achieved considerable progress, and bold changes had been initiated in Czechoslovakia in such areas as price planning, exchange rates, the organization of capital markets, labour and services. At the same time, new experiments were being attempted in other Eastern European countries.

52. Strategies for dealing with the debt problem of those countries must avoid a repetition of past mistakes. They must step up the process of rapid and comprehensive transition, relying mainly on commercial finance. Debt with official creditors should be replaced by debt with private sources of finance and direct investments, and encouragement must be given to innovative options for raising new financial resources.

53. It was important to explore the possibility of setting up an eastern European monetary union with the financial assistance of the European Economic Community (EEC), as had been done for Western Europe after the Second World War. The introduction of free trade areas associated with EEC could be much more effective than the granting of large government-to-government concessional loans.

54. The disbursements by donor countries to developing countries had fluctuated around $45 billion over the past decade and had reached $50 billion in 1985, and again a few years later. However, in 1989 there had been an alarming drop. The international community must double its development aid, bringing it up to 0.70 per cent of donor countries' GDP. That was the percentage necessary to allow development aid to reach an acceptable level and to narrow the divide between North

and South. That would bring the per capita income growth rate up from the 3 per cent average of the last 20 years to 4 per cent.

55. Debtor States must undertake to meet their side of the bargain. First, they must reorder their own public finances by increasing fiscal pressure and not allowing the necessary and due social measures and economic incentives to be dispersed and swollen with indiscriminate welfare procedures and excessive spending. Colossal projects should be avoided and profitability calculated more carefully. State enterprises should be managed as commercial companies with their own profit-and-loss accounts. Where the State economy was too extended, State companies should be completely or partially privatized in order to expand the market economy, open the system to international investment and leave more room for local entrepreneurship and joint ventures.

56. The irresponsible massive export of capital by citizens of indebted countries was inadmissible. Appropriate forms of savings must be developed and protected against inflation; that would attract to the domestic market the capital formed through tourism, migrants' remittances and international trade. That also meant fighting inflation and giving priority to fiscal and income policies over emergency monetarist therapies. Adjustment processes were necessary but should not compress investment.

57. Solution of those complex debt problems required a high-profile leadership and systematic action. What was needed was an agency or a committee within the World Bank and IMF with the support - for each of the major indebted areas, namely, Mediterranean Africa and the Middle East, sub-Saharan Africa, Latin America, Asia and Eastern Europe - of the regional development banks and other multilateral regional bodies, either already existing or to be created. It should be increasingly clear that the future of peace was linked to the prospect of new regional realities based on co-operation between industrialized and developing countries and on respect for the rights and identities of individual peoples.

The meeting rose at 12.55 p.m.

UNITED NATIONS

General Assembly

FORTY-FIFTH SESSION

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SECOND COMMITTEE
21st meeting
held on
Tuesday, 23 October 1990
at 3 p.m.
New York

SUMMARY RECORD OF THE 21st MEETING

Chairman: Mr. PAPADATOS (Greece)

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The meeting was called to order at 3.15 p.m.

AGENDA ITEM 79: DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION (A/45/3; A/45/25; A/45/64; A/45/73-S/21065; A/45/74-S/21068; A/45/113 and Add.1; A/45/138-S/21161; A/45/160-S/21182; A/45/164-S/21187; A/45/276-E/1990/88; A/45/299; A/45/303; A/45/310-S/21355; A/45/334-E/1990/100; A/45/350; A/45/381-E/1990/118; A/45/451; A/45/487; A/45/491; A/45/584; A/45/597; A/45/598-S/21854; A/C.2/45/5; A/C.2/45/L.4)

(a) INTERNATIONAL DEVELOPMENT STRATEGY FOR THE FOURTH UNITED NATIONS DEVELOPMENT DECADE (1991-2000) (A/45/41)

(d) FOOD PROBLEMS (A/45/19; A/45/583)

(e) NEW AND RENEWABLE SOURCES OF ENERGY (A/45/36 and Add.1)

(f) DEVELOPMENT OF THE ENERGY RESOURCES OF DEVELOPING COUNTRIES (A/45/274 and Corr.1)

1. Mr. JAZAIRY (International Fund for Agricultural Development) referred to the serious repercussions of the Gulf crisis, particularly in low-income food-deficit developing countries, which would suffer from increases in fuel and fertilizer costs and in the prices of food imported from developed countries, where food production was an energy-intensive process. Another possible consequence of the crisis was a slow-down in world economic activity and international trade, which could erode commodity prices even further.

2. Those problems came on top of the negative legacy of a decade during which the countries of sub-Saharan Africa had experienced serious malnutrition and famine, hunger had become a more acute problem in Latin America and the countries of the Near East and North Africa had seen an alarming increase in their dependence on food imports. Although food production had increased remarkably in some countries of Asia, that continent contained two thirds of the world's absolute poor. Given the gravity of the situation, the international community must provide more resources, particularly to improve the plight of smallholder farmers, rural women and the landless; recipient countries, for their part, must devise strategies to maximize investments in order to improve the food and economic situation of those vulnerable groups to the fullest extent possible.

3. Although the situation had been even more acute during the mid-1970s, an international consensus had been reached leading to the establishment of the International Fund for Agricultural Development (IFAD), which was the only international financial institution in which developing countries had a decisive two-thirds majority. During its 12 years of operation, IFAD had developed a specific approach to assist the rural poor, based on the concept of participatory development. Most of IFAD's loans to low-income countries were on highly concessional terms and the target countries were very carefully selected. The best approach to alleviating poverty in a sustainable fashion was to stimulate the

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entrepreneurship of the poor; even small investments in the development of their technology and know-how and some improvement in their access to credit could have a significant impact on their output. Such investments also strengthened the capacity of the beneficiaries to take advantage of the new opportunities being opened by structural adjustment programmes. In most poor countries, the success of such programmes would depend largely on the response they elicited from the large mass of smallholder farmers and small-scale producers.

4. As to projects carried out with IFAD support, local procurement amounted to 73 per cent, at least double the proportion for projects of other international financial institutions and United Nations agencies. The experience of IFAD had shown that the rate of return on investments in projects to alleviate poverty was between 15 and 25 per cent; such investments provided a significant stimulus to growth and created the basis for a more robust economy that was less import-dependent and more capable of achieving self-reliant growth.

5. Owing to increased population growth in the developing world, there was little virgin land left that could be put to productive use without posing a major threat to the environment. In the past, the frontiers of new land provided the impetus for growth, whereas now the untapped potential due to poverty was the only new frontier left: if the right policies were adopted, poverty could be transformed into an engine of growth.

6. As to the situation in sub-Saharan Africa, he noted that during the past decade a series of external and internal factors, along with accelerated desertification and other forms of environmental degradation, had brought development virtually to a halt. In response to that situation, IFAD had in 1986 launched a Special Programme to help the countries of the region to increase food production and income growth while at the same time combating environmental degradation. In only four years, IFAD had allocated resources of approximately $US 300 million for projects in 19 countries in the region. In addition to applying the participatory approach to which he had referred to bring about early increases in food production, the projects were stimulating non-agricultural income-generating activities and were being combined with longer-term measures for soil conservation, reforestation and communal range management in order to enhance the natural resource base.

7. While the first phase of the Special Programme had yielded very positive results, without further funds IFAD would have to reduce substantially its financial support to the countries in the region, at a time when those countries faced an even greater need for such support to pay for food and energy imports.

8. The Governing Council of IFAD had asked him to consult with the donors to seek additional contributions for the second phase of the Special Programme. Among the countries which had responded favourably, France, which together with Belgium had been the largest contributor to the first phase of the Special Programme, had announced a contribution of $40 million, and he urged the other donor countries to respond favourably to that request without waiting for the fourth replenishment of

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the Fund in 1993. The second phase of the Special Programme must not be financed from the Regular Programme of IFAD, for that would imply a reduction in the Fund's resources of about $300 million and would result in a cut-back of nearly 50 per cent in its lending capacity to the countries of Asia, Latin America, the Near East and North Africa. He hoped that the Committee would play a catalytic role in generating additional contributions from donor countries.

9. Mr. BEN MOUSSA (Morocco) said that the time had come to look at the situation of the developing countries realistically and recognize the disappointing results of international co-operation. The decisions of the developed countries were too often limited by short-term political considerations: perhaps only the inexorable logic of the crises that would arise in the future would compel them to change their attitude. As Mr. McNamara, former President of the World Bank, had warned recently, although the world had overcome the problems arising from East-West rivalry, racial and ethnic conflicts would break out, and economic discrepancies between nations would grow as long as the technological revolution continued to spread unevenly throughout the world.

10. International co-operation should not be used to cloak the economic violence wrought on poor people every day. There was a need to look beyond immediate political and economic prospects and reflect on the future in order to start preparing for the profound economic transformations of the world of tomorrow. The developing world no longer saw itself as a rich reserve of economic and human resources legitimately looking forward to a more equitable order, but rather as an immense mortgaged property labouring under policies of structural adjustment, the doctrinal hegemony of a single development model and the devastating effects of the international economic climate. While the developed countries had entered their eighth consecutive year of uninterrupted growth, the developing countries had been suffering for almost 10 years from declining commodity prices, deteriorating terms of trade and the growing debt-servicing burden, all of which, together with other factors such as the increase in the net transfer of capital to the developed countries and rising energy costs, had helped to make their situation considerably worse. The result had been a marginalization of the least developed countries and a general deterioration in the position of the African countries. The illogicalities of the international trade, financial and monetary system had provoked economic and social upheavals, as well as communal or religious disturbances resulting from a generalized crisis of values and growing popular despair. Together they represented a world-wide threat that could wipe out the recent advances in the sphere of international law and the settlement of ideological and geopolitical conflicts. As far as international co-operation in the field of economic development was concerned, despite the recent improvement in some social indicators, the situation was still very grave, as was shown by the figures for illiteracy, hunger and malnutrition, health and unemployment.

11. An attempt was currently being made to challenge the very concept of development and the usefulness of the Group of 77 as a participant in multilateral negotiations. Nevertheless, despite its apparent diversity, the developing world continued to share a set of common characteristics, including marked dependency on

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commodity exports, serious food shortages, high illiteracy, low agricultural productivity, deficiencies in regard to health and social services, a weak middle class, inadequate industrial diversification, population growth, widespread unemployment, serious social inequality, and so on. One phenomenon that could not be left out of account was the frequent urban social explosions that occurred in the developing world as a result of the social repercussions of structural adjustment measures. During the 1980s, the multilateral financial institutions had extended their geographical zone of intervention and increased their influence on national policies, thus helping to disseminate the dominant economic model. Those institutions avoided any real debate on the content of development or structural adjustment, and merely advocated the restoration of financial equilibrium and the struggle against poverty. It would be a mistake to confuse the pockets of poverty that existed in the developed countries with the mass poverty of the developing countries, for it was a far cry from imperfections in the social security system to the endemic poverty that affected a large part of mankind.

12. The new challenge before the international community was to arrive at a new consensus on a universally applicable model of human development that would be economically efficient, socially just, environmentally sound and culture-specific, and would concentrate on promoting the human factor. For that reason, although he recognized the advantages of liberalism over collectivism, he believed it was necessary to give much thought to the operation of the consumer society's production model, which was rapidly becoming the universal standard, presenting itself as the foundation of individual values and collective happiness.

13. If it was to be universal and sustainable, human development could not be expressed exclusively in monetary terms, or be measured by sectoral quantitative indicators. Human development meant solving the problems of the next millennium in an integrated manner, seeking to satisfy humanity's economic and socio-cultural needs, and keeping in mind the interrelationship between the depletion of non-renewable resources, population pressure, dangers to the environment, and the demands of development. In that connection, Morocco had for many years been a proponent of defining qualitative indicators of development, on the basis of General Assembly resolution 40/179, adopted in 1985, and other resolutions of the General Assembly and the Economic and Social Council adopted by consensus in response to various recommendations by the Statistical Commission.

14. UNDP and the World Bank had recently created a new indicator, known as the "human development index", which combined national per capita income, life expectancy at birth and the adult literacy rate. Although it was undoubtedly a well-focused attempt which could perhaps help to guide both national and international policy-making, a reliable measure needed to be devised, consisting of a set of qualitative indicators for the basic economic and socio-cultural needs of the population in regard to food, employment, housing, education, health and social services, including transport and drinking-water supply. To that end, a United Nations conference was to be held in Morocco in 1991, for the purpose of synthesizing the results of the research currently being carried out into the factors that determined an adequate standard of living from the viewpoint of

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decent, humane and lasting development. It was hoped that when the synthesis was completed, it would be possible, on the basis of patterns of consumption and qualitative indicators, to measure what specific advances had been made in the lives of men and women throughout the world. Those indicators would help Governments to plan their development programmes better, allocate their resources more efficiently and eliminate social disparities. Those qualitative indicators should also give direction to international co-operation, especially in combating poverty and in evaluating the implementation of the International Development Strategy and the work of the United Nations Conference on Environment and Development to be held in 1992.

15. For better prospects of development and international co-operation, the Committee should reach agreement on a collective economic-security system, in the form of a multilateral world-watch mechanism to permit effective co-ordination of macro-economic policy by representatives of the countries of the North, East and South. Such a system would make it possible to guarantee equitable and symmetrical international adjustment, while at the same time promoting the adoption by the developed countries of policies favourable to world economic growth and compatible with agreed world objectives and the demands of human development. In the new world economic situation, all those concerned must be able to share in decision-making, and the future of mankind and the human environment must be jointly managed in the common cause.

16. Mr. SARDENBERG (Brazil) said that the net transfer of resources from developing to developed countries was one of the most pressing challenges to international economic co-operation. The World Economic Survey contained an analysis of that problem, as did the report of the Secretary-General (A/45/487), which showed in a very precise manner how important an obstacle it was to economic growth and development in many developing countries.

17. Quantitatively, the amounts involved were staggering, whether in absolute or comparative terms. From 1983 to 1988, resource transfers from the so-called "capital-importing countries" had totalled over $132 billion, or an annual average of over $22 billion. According to UNICEF estimates, those $22 billion could have provided safe water for 4.4 million people or basic education for several hundred million children in developing countries over the same period.

18. In comparative terms, between 1983 and 1987, net financial transfers abroad from developing countries had amounted to almost 3 per cent of GDP, and that percentage had been even higher in the case of Latin America. In 1988, Brazil alone had transferred more than 6 per cent of its GDP. That same year, the most that any industrialized country had earmarked for official development assistance was 1.12 per cent of its GNP, while the average for the countries of the Organization for Economic Co-operation and Development had not exceeded 0.37 per cent of GNP. To appreciate the burden of those net transfers on each developing country, it should be borne in mind that the lower the income, the more difficult it was to mobilize resources for purposes other than meeting individual basic needs.

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19. Given the debt-service commitments and the deterioration in the terms of trade, instead of being a means of promoting economic growth and increasing the resources available to developing countries, international trade had become an obstacle to development and a mechanism for syphoning off resources. That phenomenon had a negative impact both on the developing countries, which were unable to benefit from their own hard-earned savings, and on the developed countries, whose exporters could not market their products in the developing world, which did not have the resources to import them. For the developing countries, net financial transfers were the major non-tariff barrier to their exports.

20. Net financial outflows set off a chain reaction in the domestic economy: a comparative drop in the level of productive investment, the transfer of resources from the private to the public sector, shrinkage of the tax base owing to reduced per capita income, disruption of fiscal policy, and chronic inflationary pressures, which pushed up domestic interest rates and reduced private investment. Together, they formed a vicious cycle.

21. Developing countries were being transformed into net exporters of financial resources before they had reached the commensurate levels of development. The consequences for international co-operation for development were obvious and of no small importance for the work of the United Nations. In fact, it almost did not make sense to speak of international economic co-operation when the countries with lower per capita income, where the propensity to save and invest was necessarily lower, were providing funds to supplement the savings of the most developed and industrialized nations.

22. There again, the interdependence between the South and the North should be stressed. The impact of international interest rates on the economies of developing countries could not be accepted as a necessary evil. International interest rates were largely a result of the macro-economic policies of the major industrialized countries. As the General Assembly had recognized at its April special session, those policies had to take into account the interests of all countries, particularly the developing countries.

23. As was widely known, Brazil was engaged in a far-reaching economic reform aimed at overhauling public finances and creating the conditions needed for modernizing the economy and integrating it more fully into the world market. The measures taken included a new industrial policy based on the liberalization of foreign trade and a fiscal adjustment corresponding to about 10 per cent of GDP. However, the success of such measures depended on a prompt and satisfactory solution to the problem of the external debt. That meant a significant reduction of debt stock and service. Without such a solution, the prospects for development in the debtor developing countries were dim.

24. His Government had repeatedly stated that it intended to honour its financial commitments but that, as a matter of necessity, it would give priority to reactivating the country's economic growth, a goal which could no longer be postponed.

(Mr. Sardenberg, Brazil)

25. The increase in oil prices put an extra burden on the energy-importing developing countries by making their terms of trade even worse. However welcome, the integration into the world economy of the countries of Eastern Europe created further pressures on financial resources and constituted yet another contributing factor towards increasing international interest rates. Also, there was more and more discussion of the possibility of a world recession. In those circumstances, international economic co-operation was more pressing and crucial than ever. The General Assembly could and should signal the urgent need to redress that situation in order to allow the revival of economic growth in developing countries in a supportive international environment.

26. Mr. LUMAUIG (Philippines) said that the net transfer of resources from developing countries was an urgent problem, since it prevented them from making investments that could generate jobs, increase productivity and alleviate poverty. His delegation concurred with the Secretary-General that, unless policies in that area were changed, prospects for those countries would remain bleak in the 1990s.

27. In order to meet their future energy requirements economically, it was imperative for developing countries to plan for a suitable mix of energy sources, with an emphasis on new and renewable sources. However, the trend in recent years had been towards a decline in the exploration and development of alternative energy resources. That trend should be reversed. Specifically, the Nairobi Programme of Action for the Development and Utilization of New and Renewable Sources of Energy should be fully implemented. Another area that demanded greater international co-operation was human resources development, which promoted human well-being and increased output capacity. However, many developing countries were forced to use the resources needed in that area for debt servicing, to the detriment of education, nutrition, health and social services. Human resources development called for not only education and training, but also for the opportunity to use the knowledge acquired in productive employment.

28. The world food situation was another area that required the attention of the international community. It was necessary to ensure world-wide access to food supplies at the most efficient market prices, without restrictions of any kind. His delegation stressed the need for a successful outcome to the Uruguay Round of multilateral trade negotiations, particularly in agriculture. Failure to reach an agreement in that sector could result in increased protectionism and erode the overall viability of the General Agreement on Tariffs and Trade. Protectionism endangered the international economic environment and seriously impaired the ability of developing countries to meet the needs of their people.

29. Mr. KOIKE (Japan) said that his delegation was happy to note that the draft text of the International Development Strategy for the Fourth United Nations Development Decade reflected the philosophy, commitment and policies articulated in the Declaration on International Economic Co-operation, adopted at the eighteenth special session of the General Assembly. The most important premises of both documents were that the primary responsibility for development rested with the developing countries themselves and that the international community had a

(Mr. Koike, Japan)

responsibility to give strong support to the efforts of the developing countries. The principal aim of the Strategy was to ensure that the 1990s would be a decade of strengthened international co-operation and accelerated development in the developing countries. The draft was a well-written document that presented every possible element for the reactivation of development: economic policy frameworks, external debt, development financing, international trade in commodities, science and technology, industrial policies, and agriculture.

30. Japan reaffirmed its commitment to increase its official development assistance in accordance with its medium-term programme, which called for the disbursement of at least $US 50 billion over the five-year period from 1988 to 1992. Acknowledging that the target of 0.15 per cent of GNP in aid to the least developed countries had gained acceptance by the international community, Japan intended to continue to expand its assistance to least developed countries with that in mind. On the other hand, it had been pointed out that the military expenditures of the developing countries were five times greater than the total development assistance they received. The current détente between East and West and the ever-greater role played by the United Nations in peace-keeping and peace-making efforts in regional conflicts provided an excellent opportunity to reduce military expenditures and channel the resources thus released to social and economic development. The largest portion of the "peace dividend" should come not from the developed countries but from the developing countries, which could give higher priority to economic and social welfare.

31. Although not completely satisfied with the draft text of the Strategy, Japan supported its adoption by consensus.

32. With regard to food problems, it was a source of great dismay that, although global food production was sufficient to feed everyone in the world, there were more than 500 million people in hunger or undernourished. The situation should be rectified and the World Food Council had a fundamental role to play. Food-deficit developing countries should give first priority to the food and agricultural sector, with the aim of achieving food security and self-reliance, and should also formulate and implement national food strategies for raising agricultural productivity. In its official development assistance programme, Japan gave priority to co-operative projects and programmes in the food and agricultural sector, believing that such co-operation would increase food production, mitigate food shortages, and improve the living standards of farmers. The guidelines to be provided by the World Food Council would be vital to concerted international efforts to solve the world's food problem.

33. As the report of the Secretary-General (A/45/451) indicated, there was a general consensus on the fundamental components of human resources development, including an increase in life expectancy at birth, a higher degree of adult literacy and an intensification of efforts in the fields of hygiene, nutrition, primary health care and primary education. Any development strategy should address those basic needs or, in other words, the enhancement of human welfare must be at the centre of any development strategy.

(Mr. Koike, Japan)

34. Human resources development was not only an objective in itself, but also a means to achieve economic goals. Japan welcomed the report of the Secretary-General and the UNDP Human Development Report 1990, for the insights which they offered into what should be done in expanding and making use of human capabilities and also into the policy decisions regarding the allocation of resources. Those insights helped to keep in mind the necessary balance between equity and efficiency. Japan supported the activities of the United Nations and of its specialized agencies in the field, and had increased the proportion of its assistance to human resources development from 3.3 per cent of total assistance in 1975-1976 to 15.4 per cent in 1986-1987.

35. Mr. GIANELLI (Uruguay) said that the rise in oil prices, the threat of failure of the Uruguay Round and the lack of productive investment in the developing countries, together with the serious problem of external debt, limited the growth possibilities of those countries and jeopardized their internal adjustments.

36. The international community, which reacted rapidly in the political arena, did not respond with the same degree of urgency in the economic sphere. The recent lack of consensus at the Trade and Development Board, in Geneva, with respect to a draft resolution on the consequences of the crisis in the Gulf, was of considerable concern to Uruguay, given that the objective of the draft, submitted by the Group of 77, was to mitigate those consequences for the poor countries which were suffering the most from them.

37. As frequently happened, the international organizations had reacted more quickly than the Governments and had proposed relief measures. UNCTAD had pointed out that, for the oil-importing developing countries, an average price of $30 per barrel meant an annual increase of around $25 billion in the cost of imports, equivalent to 10 per cent of their export earnings after payment of their debt-service obligations. In order to deal with the situation, which was exacerbated by the rise in interest rates and the continuing recession in the developed countries, UNCTAD had proposed the following measures: compensation on favourable terms to the countries most affected by the increase in the price of oil, to be drawn on resources other than those currently intended for the developing countries, and without any linkage to structural adjustment programmes; a halt to speculation on the oil markets; and a study of the possibility of reaching an agreement between consumers and producers which would include guidelines for intervention in the market by the countries having official stocks of crude, so as to discourage speculation.

38. For its part, the World Bank had suggested that aid should be given on three fronts: preparation of appropriate policies for meeting the crisis; modification, and where possible expansion, of the programmes of granting credits to overcome certain negative effects of the crisis; and co-ordination of assistance to reduce the level of debt and of debt-service payments.

39. It should not be forgotten that, if the grave problems of the developing countries were to be resolved, it was essential for the Uruguay Round to

(Mr. Gianelli, Uruguay)

incorporate the agricultural sector effectively under the rules and constraints of GATT, so that the current distorting and protectionist practices of certain developed countries, which acted as obstacles to international trade, could be eliminated.

40. Finally, as the President of the Inter-American Development Bank had said in his statement to the Committee, it was necessary to bear in mind the links which existed between debt, trade and investment. It was to be regretted that the greater portion of external investments by the developed countries went to other developed countries, and those which were made in developing countries were concentrated in a small number of countries.

41. The developing countries must band together and respond to those challenges, modernize their economies and increase their international competitiveness. Argentina and Brazil had already started the process, by agreeing to set up a common market. Uruguay had fully joined in the process and it was expected that Paraguay and Chile would do so too.

42. Ms. BOOTO (Zaire) said that Zaire supported the Declaration prepared by Bolivia on behalf of the Group of 77. Zaire welcomed the major changes which had occurred in international political relationships, but hoped that the integration of the countries of Eastern Europe into the world economy would not accentuate marginalization of the developing countries, in particular the countries of Africa.

43. In most developing countries, the problem of external debt continued to be a severe obstacle to development. The various initiatives taken to alleviate the debt problem had to be reviewed, bearing in mind the necessities for growth and development in the debtor countries, and the international community must take urgent steps to end negative transfers of resources from the developing countries to the developed ones, which significantly reduced the level in real terms of official development assistance.

44. The drop in the prices of raw materials was also of concern to Zaire, since it made export earnings unpredictable and caused them to fall steadily, leading in turn to a weakening of the capacity to finance development and adding to the difficulties of debt-servicing. Effective solutions to the problem had to be found, through implementation of the relevant provisions of the Integrated Programme for Commodities.

45. Zaire had noted with interest the reports on new and renewable sources of energy (A/45/36) and on energy exploration and development trends in developing countries (A/45/274). Some developing countries possessed enormous sources of energy but worked them only to a very limited extent, owing to various factors, including the great dependence of oil on its production sector. The rise in the price of oil was causing serious problems for those engaged in energy planning, for producers and for consumers. It was thus necessary to revive interest in new and renewable sources of energy.

(Ms. Booto, Zaire)

46. The report of the World Food Council (A/45/19) provided eloquent data on hunger and malnutrition in the world. It was regrettable that at a time when dramatic changes were taking place in international political relations, hunger continued to be a cause of death for men, women and, above all, children, who were its principal victims. The international community should take action in that regard. In that context, mention should be made of the World Summit for Children - in which the Prime Minister of the Republic of Zaire had participated, thus demonstrating his interest in the welfare of children - which had shown that a lasting solution to such problems required the broadest possible consensus and participation at the highest level.

47. Mrs. PERKOVIC (Yugoslavia) said that her delegation fully supported the statement made by the representative of Bolivia on behalf of the Group of 77. Yugoslavia expressed satisfaction at the fact that, following the adoption of the Declaration on International Economic Co-operation, a consensus had been achieved on the next international development strategy, since it reflected the awareness of all countries that, under the current conditions of growing interdependence, a harmonious development of the world economy could be ensured only through the co-ordinated activities of all parties concerned.

48. The principal aim of the strategy should be to ensure accelerated development in the developing countries. While it was true that each country should take adequate measures at the national level, there was no doubt that a favourable international economic environment was essential. The delegation of Zaire had said that the international community should make greater efforts to solve the multiple economic problems affecting the developing countries and to ensure the success of the strategy. That strategy, which appeared to be more realistic and less ambitious than previous ones, should prevent the mistakes of the 1980s from being repeated and ultimately ensure the reactivation of development in the developing countries.

49. With regard to hunger and malnutrition in the world, the report of the World Food Council (A/45/19) showed that, despite the initiatives taken in that sphere, the number of hungry persons had increased in the 1980s to some 550 million. There was no doubt that hunger and malnutrition could be eliminated through sustained development, which should have as its central objective the improvement of the human condition. The development of agriculture and the provision of technical assistance to solve the food problem were of paramount importance in that context. Yugoslavia would continue to promote economic and technical co-operation and trade with developing countries with a view to alleviating the problem of hunger. The outcome of the Uruguay Round would considerably affect the world food situation. Yugoslavia was in favour of liberalizing international trade in agricultural products and was convinced that GATT rules should also be introduced into that sector.

50. With regard to new and renewable energy sources, Yugoslavia fully supported the recommendations and conclusions contained in the relevant report (A/45/36). The crisis in the Gulf had highlighted the need to put greater emphasis on the

(Mrs. Perkovic, Yugoslavia)

development of new and renewable energy sources, not only in order to mitigate the effects of periodic oil price shocks and diversify energy sources, but also in order to protect the environment. Yugoslavia supported the Nairobi Programme of Action for the Development and Utilization of New and Renewable Sources of Energy; its implementation, the results of which had been very meagre, called for additional concerted efforts and international co-operation.

51. The report (A/45/274) on the energy resources of the developing countries was interesting and informative, but it had been prepared prior to the dramatic increase in oil prices. The uncertainty as to future trends in oil prices called for the initiation, as a matter of priority, of an international dialogue between oil producers and consumers. Yugoslavia supported the proposal made by the President of Venezuela with regard to convening a conference on that topic under the auspices of the United Nations.

52. Lastly, document A/45/487 concerning the net transfer of resources from developing countries described the history of that phenomenon and showed clearly that it was interrelated with the problems of debt, the deteriorating terms of trade, protectionism and financial flows. The solution to the problem of the net transfer of resources should, therefore, be sought in the context of the solution to those other problems. Yugoslavia supported the proposals contained in chapter V of the report and believed that massive national and international efforts were required in order to create the conditions for private capital - in the form of foreign direct investment and commercial bank flows - to play again a significant role in the development process.

53. Mr. CAMARA (Food and Agriculture Organization of the United Nations) said that in his statement under agenda item 148 he had reported on the contribution made by the Food and Agriculture Organization of the United Nations (FAO) to the preparatory work for the eighteenth special session of the General Assembly and the international development strategy. He recalled that in November 1990 FAO would consider a long-term strategy for the food and agriculture sector based on a document which had already been submitted to the General Assembly.

54. He had noted with appreciation that the Chairman's working document on the international development strategy reflected in summary form the major policy recommendations of FAO's strategy. The FAO Council would give detailed consideration in November to those and other policies which were considered appropriate for promoting the objectives of the international development strategy in food, agriculture, nutrition and rural develoment and in the related areas of overall economic growth, trade, commodities, poverty alleviation, the development of human and natural resources, environment and agriculture.

55. With regard to current developments in the world food and agriculture situation, general trends had been uneven and prospects were uncertain; nevertheless, world agricultural production was expected to increase by about 2.5 per cent in 1990, a smaller increase than in 1989, but clearly higher than the

(Mr. Camara, FAO)

growth rates of 1986-1988. The increase would occur mainly in the developed countries; in much of the developing world, the results would probably be less satisfactory.

56. In Africa and in Latin America and the Caribbean, food production was expected to fall below population growth in 1990, which was a disquieting feature. In Asia, a significant decline was expected in the growth rate of food and agricultural production. However, in India and other densely populated countries, food production was still expected to exceed population growth. In China, for instance, it was likely that there would be an increase in agricultural production but slow growth in livestock production, caused by a feed shortage. In the Middle East, an increase in food and agricultural production was expected which would largely offset the shortfall of the previous year.

57. World cereal output was expected to reach record levels in 1990. Developed countries, in particular the countries of North America and the Union of Soviet Socialist Republics, would account for the bulk of the increase, although production was also expected to rise in developing countries in the aggregate. Since the world output of cereals would exceed global utilization for the first time in four years, cereal stocks were likely to increase slightly, which would improve the outlook for world food security. Nevertheless, serious regional food supply problems were likely to persist in 1991. That was the case in the Sudan, parts of Ethiopia, Angola, Mozambique and Liberia and in several Sahelian countries. In Latin America and the Caribbean, food reserves were also very low. Another cause for concern was the problem of feeding refugees, owing to the events in the Middle East.

58. The situation with regard to locust and grasshopper infestations, which had been extremely serious in recent years, particularly in Africa, had greatly improved in the past year. In the mean time, a new threat to Africa's agriculture had appeared: the New World screwworm fly, which was potentially devastating to livestock. FAO was co-ordinating an international eradication programme for which $US 91 million was proposed.

59. FAO and the World Health Organization (WHO) had decided to sponsor and organize jointly an international conference on nutrition, to be held in December 1992, which would mobilize the efforts of the international community during the decade ahead in order to tackle effectively the problems of under-nutrition and specific nutrition-related diseases.

60. In 1989 the growth in agricultural trade had slowed and the value of world exports of agricultural products had increased by about 3 per cent, as against only 1.5 per cent in the developing countries, which was less than in the 1980s. In Africa and Latin America and the Caribbean, export earnings from agriculture had fallen in 1989. A further deterioration in the terms of trade of agricultural exports was expected in 1990 and possibly in 1991, because of weakening prices and higher energy prices and production costs resulting from events in the Near East. In 1990/91, growth in world trade in cereals would also fall. Those forecasts were

(Mr. Camara, FAO)

tentative, however, in view of the uncertainties in the current world economic environment resulting from fluctuating oil prices.

61. Food aid in cereals was expected to amount to 9.8 million tons in 1990/91, 1.7 million tons lower than the previous year, when exceptionally large shipments had been made to Eastern European countries. No further shipments to those countries were expected in 1990/91.

62. On the subject of the Uruguay Round negotiations, it was the first time that agriculture had had a central role in multilateral trade negotiations and FAO was participating actively in the negotiations, not only as observer in the negotiations on agriculture, tropical products and natural resource-based products, but also by providing technical inputs, in particular in respect of sanitary and phytosanitary measures in view of the Organization's responsibility in connection with the Codex Alimentarius Commission and the International Plant Protection Convention. FAO had also helped many groups of countries in preparing their positions at GATT and looked forward to the successful outcome of the ministerial session to be held in Brussels in December to conclude the Uruguay Round.

63. Mr. REVA (Ukrainian Soviet Socialist Republic) referred to the recent political and economic changes in his country which, by fostering its more active participation in the world economic system and in international economic co-operation, would enable it to make a constructive contribution to the work of the Ad Hoc Committee of the Whole for the Preparation of the International Development Strategy for the Fourth United Nations Development Decade. The Strategy should provide a framework for improved co-ordination of joint action by States in the economic and social fields, with a view to promoting co-operation motivated by a spirit of universality that would enable ideological differences to be overcome. In that connection, he expressed approval of the text contained in document A/AC.232/L.14/Rev.1, which recognized the importance of the changes that had occurred in international relations with the consequent reduction in military spending, which would make further resources available to combat poverty in the world. After referring to the new world economic consensus reached at the eighteenth special session of the General Assembly, he stressed the importance of the integration of the countries of Eastern Europe in international economic co-operation activities.

64. In the Ukrainian SSR, where the nuclear catastrophe of Chernobyl had occurred, there was a keen interest in environmental protection issues, and his Government therefore strongly supported the holding of the United Nations Conference on Environment and Development.

65. Another important question was that of promoting agricultural production to meet the needs of a steadily growing world population. In that regard, he stressed the essential role of the organizations of the United Nations system and the importance of science and technology for the attainment of a more rational food supply. However, because of the effects of economic and social problems, over 500 million human beings still suffered from hunger. The Report of the World Food

(Mr. Reva, Ukrainian SSR)

Council (WFC) in document A/45/19 examined the impact of various external factors, such as the debt problem, the fall in commodity prices and the introduction of protectionist measures, on the world food situation. In that context, the establishment by WFC, FAO and IFAD of an inter-secretariat consultative mechanism for improved co-ordination of their activities had been a useful initiative.

66. The development and utilization of new and renewable sources of energy would be eminently conducive to solving world energy problems. The instability of the oil market, the growing concern of the international community about the ecological consequences of the use of conventional energy sources and the development of atomic energy underlined the importance of alternative sources of energy. In the view of the Ukrainian SSR, events since the adoption of the Nairobi Programme of Action had confirmed the soundness of its main provisions. His delegation supported the work of the Committee on the Development and Utilization of New and Renewable Sources of Energy, which was responsible for co-ordinating the execution of energy programmes within the framework of the implementation of the Nairobi Programme of Action. It was also gratified to note the provision concerning the need to co-ordinate the Committee's activities with the preparatory work for the United Nations Conference on Environment and Development to be held in 1992, since new and renewable sources of energy could make a unique contribution to the introduction and development of environmentally benign technologies.

67. As a result of the events at Chernobyl, a new approach to energy development was being evolved in his country, with provision for a moratorium on the construction of nuclear power stations, the adoption of energy conservation policies, restrictions on the volume of energy-intensive production, mitigation of the environmentally harmful effects of thermal energy and greater recourse to new and renewable sources of energy.

68. Finding a solution to energy problems was of particular importance for the developing countries, since population growth, industrialization and the development of their economies inevitably brought with them a demand for energy resources. That had been recognized by the international community with the adoption of General Assembly resolution 43/193 on development of the energy resources of developing countries. His delegation was pleased to note that the Committee was giving increasing attention to natural resources in connection with energy issues. It believed the long-term projections on trends in the exploitation and consumption of energy resources being prepared by the Centre for Natural Resources, Energy and Transport to be of a high professional standard and potentially useful for the formulation of energy policies in all countries, especially the developing countries.

69. The Ukrainian SSR considered that national efforts and increased international co-operation relating to the development of natural resources in the developing countries must go hand in hand with the preparation of programmes for the utilization of new capital-saving technologies for the exploitation of those resources and with the formulation of a strict energy-conservation policy.

70. Mr. BOECK (Austria) said that the world energy situation was marked by an ever greater demand for energy, which would continue to increase in coming decades, especially in the developing countries. The world relied heavily on conventional forms of energy which, like fossil fuels and nuclear energy, carried with them a high risk of environmental degradation and possibly immeasurable damage to the global ecological balance.

71. The discussion on alternative forms of energy had acquired greater relevance with the the Gulf crisis. Austria was pleased to note that, along with the political consensus, a consensus had also been reached on its economic implications, which affected not only the countries that were leading consumers of energy but also the developing countries and those that had embarked on a radical transformation of their economies. Those countries could ill afford an additional economic burden such as exclusive reliance on a form of energy whose price and supply stability could be overthrown by a single aggressor.

72. The 1981 Nairobi Conference had underlined the growing global awareness of the need for improved international co-operation in the field of energy, but that had not proved sufficient to set in motion a process of global action in the development and application of new and renewable sources of energy.

73. The current international situation proved that an ad hoc approach to energy consumption which re-emerged only at times of crisis was not tenable. It was therefore imperative that efforts should be concentrated on building up a system of energy provision that would be less subject to price fluctuations and environmental hazards and less vulnerable to political crises.

74. The time had come to look for ways in which Governments could jointly review their energy policies. The global aspect of energy problems required close international co-operation in order to adjust national policies to the new economic, political and ecological challenges that the members of the international community were all facing. Austria thus welcomed the establishment of an expert group to assess the process of the implementation of the Nairobi Plan of Action, hoping that the group would give the relevant debate new life and strengthen the efficiency of the existing framework. That initiative was a significant contribution to the United Nations Conference on Environment and Development to be held in 1992.

75. His delegation had prepared a memorandum detailing the areas in which a strengthening of United Nations activities would be desirable, as well as possible spheres of co-operation at the national, regional and global levels.

76. Mr. NYAMIKEH (Ghana) said that the current oil crisis brought into sharp focus the need to maintain the spirit that had spurred the international community to adopt the Nairobi Programme of Action for the Development and Utilization of New and Renewable Sources of Energy. Ghana noted with concern that, despite the international awareness that had developed in connection with the development of such sources of energy at the time of the oil-price increases in the 1970s, when oil prices had collapsed in the 1980s the interest in seeking such new sources of energy had declined.

(Mr. Nyamikeh, Ghana)

77. It was generally held that the energy requirements of the developing countries, particularly in Africa, were low in comparison with those of the developed countries. But there was no doubt that the absence of energy-efficient technology made adjustments extremely difficult for the developing countries and rendered them very vulnerable to the least shock triggered by any international crisis. According to the World Economic Survey, the increase in the developing countries' oil consumption had been far greater than the increase in consumption in the developed-market economies, a trend that would continue in the 1990s. Moreover, the developing countries had to use a high proportion of their foreign-exchange earnings in order to meet just part of their energy needs. For example, in the energy crisis in the 1970s Ghana had had to spend from 60 to 75 per cent of its foreign-exchange earnings on the importation of crude oil. It therefore welcomed the Nairobi Programme of Action, which complemented its own efforts to develop new and renewable sources of energy.

78. By virtue of its geographical location, Ghana had the potential for the development of solar energy. Pilot projects had been established to provide photovoltaic energy for refrigerators for the preservation of drugs and other chemicals that were vital if the country's rural health-care programme and health for all by the year 2000 were not to remain a pipe-dream. Ghana's research institutions were seriously involved in research in the field of solar energy and biomass as alternative sources of energy for heating and cooking.

79. Ghana continued to depend on traditional fuels, such as wood, which accounted for about 80 per cent of its total domestic energy consumption. In view of the serious threat posed by deforestation, desertification and the consequent drought, the Ghanaian Government had introduced liquid gas and promoted public awareness of its use. It was envisaged that by the end of the current decade, at least 50 per cent of Ghana's domestic fuel consumption for cooking would be met from the gas resources revealed by recent explorations. Already a national gas-for-cooking programme had been launched throughout the country, which had met with a favourable reception in both rural and urban areas.

80. Ghana had done everything within its power to promote the development and use of new and renewable sources of energy. Owing to lack of financial resources, however, it might seem to be making slow progress. The Ghanaian delegation wished to appeal to the United Nations system and to the developed countries of the North to make available additional financial resources to provide assistance for developing countries in the field in question.

81. Technology in the field of new and renewable sources of energy was not so complex as to pose great difficulties for developing countries. It would be very advantageous if the developing countries had access to such technologies at concessional rates. His delegation hoped to see much greater efforts and co-operation by the international community in that field.

82. Mr. SILALAHI (Indonesia) said that his country welcomed the fact that the Ad Hoc Committee of the Whole for the Preparation of the International Development Strategy for the Fourth United Nations Development Decade had adopted a proposed text for the strategy (A/45/41) by consensus. Both the strategy's goals and objectives and the policies and measures laid down in the strategy were sufficiently flexible to meet major challenges in a constantly changing world. The strategy should considerably facilitate implementation of the agreements reached and commitments entered into at the eighteenth special session of the General Assembly. Indonesia hoped that the Assembly would adopt the strategy at its current session.

83. It was recognized that the ultimate goal of development was to improve the human condition, to realize the full potential of all members of society and to eradicate poverty and hunger; yet the traditional approaches to development had not reflected that emphasis but had, rather, focused on increasing gross national product, and thus could not raise the living standards of the majority of mankind.

84. Indonesia welcomed the report of the Joint Inspection Unit (JIU) on human resource development through technical co-operation (A/45/113), which, while recognizing the undeniable contribution of the United Nations in that connection, questioned the effectiveness of the use of hundreds of thousands of dollars channelled into human resources development. Indonesia therefore fully endorsed the JIU recommendation that a central inter-agency focal point should be established to monitor and assess the co-ordination of programme preparation and implementation by Member States and United Nations agencies, to advise Member States and the agencies on progress made and on difficulties encountered, and to report annually to the General Assembly, with a view to increasing co-ordination and effectiveness. Of equal importance was the recommendation that human resources development activities should be oriented towards the promotion of human fulfilment at the grass-roots level in order to promote sustainable development and self-reliance.

85. With regard to the report of the Secretary-General on developing human resources for development (A/45/451), Indonesia agreed that it was necessary to use such social indicators as literacy rates, life expectancy, health and nutritional levels for evaluating development progress. The Jakarta Plan of Action adopted by the Economic and Social Commission for Asia and the Pacific over two years earlier had provided a blueprint for enhancing the quality of life of the peoples of the region and had now, in its operational phase, demonstrated its great significance for the development process. Indonesia therefore hoped that the two reports in question would be discussed at the second regular session of the Economic and Social Council, and that the Council would make relevant recommendations to the General Assembly.

86. The report of the World Food Council (A/45/19) stressed that the alleviation and elimination of hunger, malnutrition and nutritional-deficiency diseases remained the Council's major goals and that their attainment would be facilitated by the new political situation in the world. However, the attainment of those goals was impeded by considerable obstacles, such as the population explosion,

(Mr. Silalahi, Indonesia)

especially in food-deficit countries, the imperatives of environmental protection, and the existence of widespread poverty. In order to try to overcome such obstacles, it was necessary to solve the problem of dwindling financial resources, especially where official development assistance was concerned.

87. His country was convinced that the improvement of the international trading system was central to the alleviation of global food problems, as the Secretary-General indicated in his report on trends in the international market for agricultural and tropical products and the liberalization of international agricultural trade (A/45/583). Indonesia also thought it essential that the current Uruguay Round of multilateral trade negotiations should achieve a positive result for agriculture which would bring benefits to both developed and developing countries.

88. Mr. LOHIA (Papua New Guinea) said that it was predicted that the 1990s would be not much better than the 1980s, which had been a lost decade in terms of economic and social growth, and that the gap would widen between the rich nations and the poor nations, particularly the least developed ones. Poverty, environmental degradation and the international debt crisis remained the most difficult problems. It was to be hoped that the changes taking place in the world would facilitate their solution.

89. His delegation welcomed the reports of the Secretary-General on developing human resources for development (A/45/451) and on the net transfer of resources from developing countries (A/45/487) and the report of the Economic and Social Council (A/45/3), for they reflected both the determination and commitment of the United Nations system to the efforts to solve world economic problems and the consensus among Governments to work together for a revitalization of economic growth in the world, especially in the developing countries.

90. If the international development strategy was to bear fruit, the world community must continue its efforts to bring the Uruguay Round to a satisfactory conclusion, to find a solution to the Gulf crisis, to prevent the destruction of the environment, to introduce the necessary health and sanitation measures to benefit all peoples, to provide food to the needy, to relieve the debt burden of debtor countries, and to guarantee peace and security to countries torn apart by war. The strategy proposed praiseworthy goals, but in order to achieve them and reactivate world economic growth, especially in the developing countries and the least developed among them, every Government must shoulder the responsibility for the economic restructuring and policy reforms needed in its country.

91. Papua New Guinea had itself embarked on a structural adjustment programme which included measures such as the privatization of certain public enterprises, the devaluation of the national currency by 10 per cent, and the relaxation of investment criteria in order to allow for increased direct foreign investment. The World Bank and IMF had applauded the measures taken by his Government to combat the country's economic problems.

(Mr. Lohia, Papua New Guinea)

92. But there were some worrying factors which might adversely affect the developing countries. Firstly, there was the alarming rise of regional trading blocs which might jeopardize the success of the Uruguay Round. Nevertheless, the satisfactory conclusion of those negotiations for the benefit of both industrialized and developing countries would enhance the market access of the products of the developing countries. If that did not occur, there would be a fragmentation of the international trading system, the existing trade tensions would be aggravated, and the developing countries, in particular the least developed ones, would be marginalized.

93. A second worrying factor was the prospect that the participation of the Soviet Union and Eastern Europe in the international trading system and European integration in 1992 would have an adverse effect on the provision of multilateral and bilateral assistance to the developing countries.

94. Lastly, there was the worrying debt crisis. Papua New Guinea applauded the efforts of the United Nations and supported the idea that debtor and creditor countries and multilateral financial institutions should adopt an integrated approach in order to solve that serious problem.

95. International economic issues must be considered in conjunction with the problems of environmental protection. His delegation hoped that economic development efforts would be harmonized with the efforts to protect, preserve and manage the environment, for otherwise the 1990s would be another lost decade for the economic development and social progress of peoples.

96. Mr. SHOOGUFAN (Afghanistan) said that for most of the developing countries the 1980s had been a cruel disappointment. Despite the great advances in science and technology, little progress had been made in eradicating hunger and malnutrition. There were more than 550 million undernourished people in the world, and many regions with food problems had until recently been self-sufficient in food or even food exporters. That situation was due to the deterioration in the economic situation of most of the developing countries during the 1980s.

97. His delegation had studied with interest the report of the World Food Council and agreed with the conclusion that every country must take responsibility for solving its food problems. However, the worsening of the economic situation in the developing countries had aggravated their food shortages, and only a great international co-operation effort would enable the developing countries to solve their problems in that area satisfactorily. The initiatives of the World Bank and FAO were welcome in that respect.

98. Afghanistan had serious food problems. The war, the destruction of roads and public transport, the destruction of food supplies by extremist groups, and the destruction of villages and irrigation systems had contributed to a food crisis for the country. Obviously, the first step towards a solution of the problem was to put an end to the war. Furthermore, his Government regarded the implementation of food strategies and the promotion of the agricultural sector as an essential

(Mr. Shoogufan, Afghanistan)

element in the country's economic development. The measures adopted included the establishment of mechanized agricultural stations, the distribution of improved seeds and chemical fertilizers, the provision of veterinary services, and the granting of loans on easy terms to farmers and livestock-raisers. With the financial and technical assistance of the developed countries, United Nations agencies and the international financial institutions, Afghanistan would not only become self-sufficient in food but would also be able to export its surpluses to other countries.

99. His country fully supported the recommendation of the World Food Council concerning the safe passage of emergency food aid. His Government would do everything possible to ensure that food was delivered to the most seriously affected parts of the country, and his delegation hoped that all the countries concerned and the international organizations would help the people and Government of Afghanistan in that task.

The meeting rose at 6.15 p.m.

UNITED NATIONS

General Assembly

FORTY-FIFTH SESSION

Official Records

SECOND COMMITTEE
22nd meeting
held on
Thursday, 25 October 1990
at 10 a.m.
New York

SUMMARY RECORD OF THE 22nd MEETING

Chairman: Mr. PAPADATOS (Greece)

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AGENDA ITEM 86: SPECIAL ECONOMIC AND DISASTER RELIEF ASSISTANCE (continued)

(b) SPECIAL PROGRAMMES OF ECONOMIC ASSISTANCE (continued)

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A/C.2/45/SR.22
30 October 1990

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The meeting was called to order at 10.25 a.m.

AGENDA ITEM 12: REPORT OF THE ECONOMIC AND SOCIAL COUNCIL (continued)
(A/C.2/45/L.8, L.11 and L.13)

Draft resolution on the International Drinking Water Supply and Sanitation Decade (A/C.2/45/L.8)

1. Mr. ORTIZ (Bolivia), speaking on behalf of the Group of 77, introduced the draft resolution. The preambular section of the draft resolution recalled various resolutions, including General Assembly resolution 35/18, proclaiming the International Drinking Water Supply and Sanitation Decade. References were also made to a number of conferences, including the most recent conferences to reaffirm the goals of providing safe water and sanitation for all, namely the Second United Nations Conference on the Least Developed Countries and the World Summit for Children.

2. The text expressed deep concern that the developing countries would continue to face serious problems in the area of water supply and sanitation during the 1990s and recognized the need for an intensification of national and international co-operation to tackle those problems.

3. He read out the operative paragraphs of the draft resolution, drawing particular attention to paragraphs 4 and 5.

Draft resolution on the special ministerial meeting of the Economic and Social Council (A/C.2/45/L.11)

4. Mr. ORTIZ (Bolivia), introducing the draft resolution on behalf of the Group of 77, noted that the preambular section referred to General Assembly resolution S-18/3, containing the Declaration on International Economic Co-operation, and other resolutions pertaining to the revitalization of the Economic and Social Council. The operative paragraphs of the draft text confirmed the Council's decision to convene a special high-level meeting and set out modalities for that meeting.

Draft resolution on co-operation in fisheries in Africa (A/C.2/45/L.13)

5. Mr. ORTIZ (Bolivia), speaking on behalf of the Group of 77, said that the draft resolution was an endorsement of General Assembly resolution 44/225, on large-scale pelagic driftnet fishing and its impact on the living marine resources of the world's oceans and seas. After summarizing the text, he noted that the report of the Ministerial Conference on Co-operation in Fisheries among the African States bordering the Atlantic Ocean, mentioned in paragraph 2 of the draft resolution, would be available to delegations during informal consultations later in the day.

Draft resolution on assistance to the Palestinian people (A/C.2/45/L.12)

6. Mr. HASSAN (Pakistan) said that the draft resolution was very similar to General Assembly resolution 44/235 and also drew heavily on Economic and Social Council resolution 1990/59. He read out the preambular paragraphs and drew attention to operative paragraphs 2, 4, 7 and 9. The sponsors hoped that the draft resolution would enjoy the full support of the Committee.

AGENDA ITEM 86: SPECIAL ECONOMIC AND DISASTER RELIEF ASSISTANCE (continued)

(b) SPECIAL PROGRAMMES OF ECONOMIC ASSISTANCE (continued) (A/C.2/45/L.9 and L.10)

Draft resolution on assistance for the reconstruction and development of the Republic of Yemen (A/C.2/45/L.9)

7. Mrs. HASSAN (Egypt), introducing the draft resolution on behalf of the sponsors, who had been joined by Mongolia, noted that the Republic of Yemen, formed in May 1990 by the merger of Yemen and Democratic Yemen, was a least developed country that had been seriously affected by natural disasters in 1982 and 1989. The country's economic infrastructure had suffered major damage which could not be repaired without urgent international assistance, particularly in the wake of the current Gulf crisis.

8. The draft resolution took note with appreciation of previous assistance to Yemen and sought additional contributions to the country's reconstruction and development efforts. Gratitude was expressed also to the Secretary-General, whose further assistance was requested in paragraphs 4 and 5.

9. She had been informed by the Secretariat that a report containing more detailed information regarding the situation in Yemen (A/45/679) would soon be issued.

Draft resolution on special economic assistance to Chad (A/C.2/45/L.10)

10. Mr. NZAPA-YEKE (Central African Republic), introducing the draft resolution on behalf of the sponsors, who had been joined by Burundi, Mauritania and Singapore, noted that the Secretary-General's report on special economic assistance to Chad (A/45/358 and Add.1) had provided an overview of the country's economic situation and efforts made with assistance from the international community for the country's reconstruction and development. It should be recalled that Chad was a least developed, land-locked country suffering from drought and desertification, as well as from the prolonged effects of war, all of which seriously impeded its development efforts.

11. The draft resolution before the Committee was not substantially different from the two previous resolutions which the Committee had considered on the subject, although it reflected current and anticipated developments. He drew particular attention to paragraphs 3 and 7, which called upon States, the United Nations and international economic and financial institutions to continue to contribute to

UNITED NATIONS

General Assembly

FORTY-FIFTH SESSION

Official Records

SECOND COMMITTEE
23rd meeting
held on
Monday, 29 October 1990
at 10 a.m.
New York

SUMMARY RECORD OF THE 23rd MEETING

Chairman: Mr. PAPADATOS (Greece)

later: Mr. GIANELLI (Uruguay)

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(d) FOOD PROBLEMS

(e) NEW AND RENEWABLE SOURCES OF ENERGY

(f) DEVELOPMENT OF THE ENERGY RESOURCES OF DEVELOPING COUNTRIES

AGENDA ITEM 12: REPORT OF THE ECONOMIC AND SOCIAL COUNCIL (continued)

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Distr. GENERAL
A/C.2/45/SR.23
5 November 1990

ORIGINAL: ENGLISH

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The meeting was called to order at 10.10 a.m.

AGENDA ITEM 79: DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION (A/45/3, A/45/25, A/45/64, A/45/73-S/21065, A/45/74-S/21068, A/45/113 and Add.1, A/45/138-S/21161, A/45/160-S/21182, A/45/164-S/21187, A/45/276-E/1990/88, A/45/299, A/45/303, A/45/310-S/21355, A/45/334-E/1990/100, A/45/350, A/45/381-E/1990/118, A/45/451, A/45/487, A/45/491, A/45/584, A/45/597, A/45/598-S/21854, A/45/657; A/C.2/45/5; A/C.2/45/L.4)

(a) INTERNATIONAL DEVELOPMENT STRATEGY FOR THE FOURTH UNITED NATIONS DEVELOPMENT DECADE (1991-2000) (A/45/41)

(d) FOOD PROBLEMS (A/45/19, A/45/583)

(e) NEW AND RENEWABLE SOURCES OF ENERGY (A/45/36 and Add.1)

(f) DEVELOPMENT OF THE ENERGY RESOURCES OF DEVELOPING COUNTRIES (A/45/274 and Corr.1)

1. Mr. FERNANDEZ de COSSIO (Cuba) said that the economic interdependence of the world was becoming increasingly asymmetrical. As a result, the economies of third world countries were being dictated by the policies of the industrialized countries, by multilateral institutions and by a network of powerful private institutions. The lack of any effective mechanism to combat the resulting imbalances and fluctuations had dramatically compounded the instability and unpredictability of the world economy.

2. The United Nations must make concerted efforts to meet its commitments under the Declaration adopted by the General Assembly at its eighteenth special session. An effective macro-economic co-ordinating and monitoring system was required, with the full participation of the developing countries, which would be capable of correcting the current imbalances.

3. He expressed concern at the continuing negative net transfer of financial resources from the poor economies to the major industrialized centres, pointing out that the developing countries had thereby helped finance the economic boom enjoyed by the developed nations. The World Economic Survey 1990 had shown that the United States, the world's most powerful economy, had once again recorded a net gain in financial resources in 1989. The problem of the net negative transfer of financial resources and of its severe consequences necessitated concerted action by the General Assembly.

4. The Gulf crisis was having serious economic implications for the countries of the third world and its effects were further exacerbated by the sanctions imposed by the United Nations. The worst affected countries were, as always, the underdeveloped economies and, in particular, the energy-importing nations. Despite the adverse consequences of the crisis on the lives of millions of people, the international community had been slow in its response. Initial estimates showed

(Mr. Fernandez de Cossio, Cuba)

that in 1991 the energy-importing developing countries would face increased energy costs on the world market of up to $45 billion. With the addition of their 1991 debt-servicing costs, the resulting expenditure would absorb an additional 19 to 22 per cent of the export revenues of those countries. If oil prices rose to $50 per barrel, those estimates would have to be revised upward to $71 billion and 55 per cent respectively.

5. The resulting inflationary pressures and economic recessions in the developed countries would also adversely affect the precarious economies of the underdeveloped regions. Debt-servicing costs would increase, the markets for exports from developing countries in the developed world would shrink and protectionism would resurface, with serious consequences for the terms of trade, which had started to decline even before the Gulf crisis.

6. The rising cost of oil would encourage the use of traditional fuels such as fuel wood, thereby accelerating the process of deforestation and causing serious environmental damage.

7. A large number of foreign workers had lost their means of subsistence, with severe consequences both for their own families and for their countries of origin. The people of Kuwait and Iraq alike had been the victims of political events and decisions. The situation had been worsened by the severe economic blockade imposed by the Security Council and it was understandable that some States had made requests under article 50 of the Charter.

8. The United Nations must appeal to the international community for immediate financial assistance for the most affected countries and must insist that the oil-exporting countries should endeavour to stabilize the prices of crude on international markets. Humanitarian assistance was urgently needed by many people and families to alleviate the socio-economic effects of the crisis.

9. Cuba believed that the Security Council should make a thorough analysis of the impact of the measures that had been adopted and should give prompt attention to the requests made under article 50 of the Charter. Failure to respond effectively to the crisis would cast serious doubt on the capacity of the United Nations to fulfil its objectives under the Charter and would have serious consequences for the lives of millions of people throughout the world.

10. Mr. MOHIUDDIN (Bangladesh) said that the new international development strategy should be seen as a point of departure, which must be followed by serious and specific initiatives. As the strategy was based on the explicit recognition of the interdependence of countries and issues, it was essential to avoid a selective approach in its implementation. Further work would be needed on policy and programmes and new agreements must be reached on future specific actions in such key areas as the flow of development resources to developing countries, external indebtedness, market access and commodities.

(Mr. Mohiuddin, Bangladesh)

11. Although the exigencies of a balanced approach had limited the space devoted by the strategy to the least developed countries, the special needs of those countries nevertheless constituted a prime concern of the international community and should be high on the agenda for the 1990s and the commitments regarding help to those countries should be made more specific. Areas that required attention included the need of those countries for an enhanced flow of development resources, a decisive reduction of all types of debt, increased market access and compensation for export earning shortfalls.

12. The process of review and appraisal, which was to be incorporated in the new strategy, should take place in the light of evolving needs and developments, as stated in paragraphs 108 to 112 of the strategy. Only by adapting to the demands of the changing times would the strategy provide a useful and pragmatic framework for the Committee's future action.

13. Mr. BARAC (Romania) said that a new stage in international economic co-operation had been ushered in by the adoption by consensus of the Declaration on International Economic Co-operation and in particular the Paris Declaration and Programme of Action of the Second United Nations Conference on the Least Developed Countries. At the same time, the end of the cold war had contributed to improving the climate for international co-operation. In the preparation of the new international development strategy, the proposed text of which was contained in document A/45/41, there had been no trace of the East-West ideological confrontation which had adversely affected the preparation of previous strategies.

14. His delegation welcomed, in particular, the attention focused on human resource development in the new strategy. The activities encompassed by human resource development, such as education, health, nutrition, housing, employment, child welfare, the advancement of women, political freedom and respect for human rights, were mutually reinforcing and must be supported at the national and international levels. A more integrated, more co-ordinated approach to human resource development in the United Nations system should be considered at a future session.

15. Referring to paragraph 56 of the strategy, he said that future progress depended largely on each country's ability to master modern scientific and technological knowledge. Already it was being said that the gap between countries was less a gap between rich and poor, or industrialized and non-industrialized, than between countries which had scientific and technological knowledge and those which did not. It was therefore extremely encouraging to see that the strategy emphasized the need to increase the scientific and technological capacities of developing countries; strengthen scientific and technological institutions; and upgrade the skills of the work-force. His delegation would lend its full support to the implementation of the new international development strategy.

16. Mr. NIKULIN (Byelorussian Soviet Socialist Republic) said, with reference to food problems, that the solution of the world's food problems was essential for people who needed to be fed and the number of hungry people in the world could rise to 800 million. Every year 20 million people, 14 million of them children, died of malnutrition and related diseases. The world's food supply was also adversely affected by environmental problems such as deforestation and desertification. Additional economic, financial and trade disadvantages prevented developing countries from achieving self-sufficiency in food production.

17. A vital contribution to the solution of food problems could be made by the efforts of individual countries to boost their own food production and food reserves in accordance with their national development plans. A corresponding improvement was needed in the world food markets. Byelorussia therefore looked forward to the successful outcome of the Uruguay Round of negotiations and was in favour of bringing agriculture within the purview of the rules of the General Agreement on Tariffs and Trade (GATT). His delegation supported the proposal to create a cross-organizational consultative mechanism aimed at strengthening co-ordination between the World Food Council (WFC), the Food and Agriculture Organization of the United Nations (FAO), the World Food Programme (WFP) and the International Fund for Agricultural Development (IFAD).

18. Byelorussia's food problems had been severely exacerbated by the consequences of the Chernobyl disaster, which had contaminated one third of the Republic's territory, including its most fertile areas. One fifth of its productive agricultural land had been rendered useless and, worse still, more than two million people were still residing and farming in contaminated areas.

19. Scientists differed in their views on permissible radio-nuclide limits in food products and animal feeds. Byelorussia hoped that international co-operation through such bodies as the International Atomic Energy Agency (IAEA) and FAO would help resolve that and other questions. The procedures applied by his country to combat the radiological effects of Chernobyl on crops and livestock had not significantly reduced radio-isotope levels in plants but had, instead, exacerbated traditional environmental problems, raising the levels of nitrates and other chemicals.

20. Following recommendations by Byelorussian scientists, in 1991 farming would be restricted or discontinued in areas where contamination levels were judged to be unacceptable (between 15 and 40 curies and over 40 curies per square kilometre, respectively). Further measures were to be implemented to localize the agricultural effects of Chernobyl and to protect the population from radiation.

21. Byelorussia strongly favoured co-operation with foreign specialists in such bodies as the World Health Organization (WHO). FAO, IAEA, the Economic Commission for Europe (ECE) and the United Nations in determining permissible levels of radioactivity in food products and animal feeds produced on mildly contaminated land. It welcomed the participation of FAO experts in studying the radiological consequences of Chernobyl and the relevant FAO publications. Byelorussia actively supported the elaboration and implementation of international agreements on

(Mr. Nikulin, Byelorussian SSR)

contamination levels permissible in international and domestic trade and it looked forward to further progress in that area by the Codex Alimentarius Commission.

22. In view of the food crisis caused both by Chernobyl and by problems arising from the transition to a market economy, Byelorussia also hoped to receive food aid and assistance in obtaining detectors for individual use and for the Republic's monitoring system to control radiation levels at all stages of production and consumption.

23. Every effort was being made to ensure at least minimal agricultural production levels and various production and economic measures were being implemented to compensate for the loss of agricultural land, including the creation of joint ventures and the participation of foreign capital. Draft laws had been prepared on private ownership, on peasant farming and on other areas of agrarian reform. New economic mechanisms were being devised to improve administration, provide incentives and decentralize management. Byelorussia believed that the world's food problems could be resolved only through a combination of national efforts and constructive and innovative forms of co-operation at the international level.

24. Mr. KRAMER (Canada), speaking on agenda item 79 (a), endorsed the remarks made by the representative of Australia at the 20th meeting on the subject of agricultural trade. He commended the work of the World Food Council in drawing attention to the critical problems of hunger and malnutrition and to policies to address them. Hunger and malnutrition were in fact caused by poverty and not food shortages. Accordingly, the elimination of hunger must be based on policies to eradicate poverty.

25. At its past three sessions, the World Food Council had identified hunger-alleviation goals for the 1990s and some of the key policy measures needed to achieve them. As children were the first and most vulnerable victims of hunger and malnutrition, the World Declaration and Plan of Action adopted at the World Summit for Children were especially relevant in the context of those problems.

26. Turning to the question of human resources development, he said that the issues associated with that topic must be elaborated further. The trend in development thinking towards viewing human beings as both the object and means of development was a welcome one. The UNDP Human Development Report 1990 was of particular interest in that connection because it offered a human-centred vision of the development process. The report of the Secretary-General on human resources development (A/45/451) was also useful because it recognized that Governments could do much to realize their human development goals by restructuring financial priorities. The report emphasized the importance of population issues and women's economic and social status to human resources development. His delegation also believed that poverty reduction should be an integral part of human development.

27. On the question of energy, he noted that the current situation of uncertainty and higher prices was adversely affecting many countries and underscored the need for efficient use and conservation of energy and intensified efforts to develop and use new and renewable sources of energy.

28. Mr. SANGA (United Republic of Tanzania) agreed with the emphasis placed on health, nutrition and education in the Secretary-General's report on human resources development (A/45/451), but added that many other factors, including financial and material incentives, must also be given due consideration. The report indicated that, during the 1980s, many developing countries had reduced expenditure on social services in order to increase military expenditures. Unfortunately, that conclusion was not supported by any evidence; the developing countries had had to cut back expenditures because of the hostile international economic environment.

29. While the population of developing countries lived primarily in rural areas, the magnitude of urban social problems demanded an equitable distribution of development resources between the two areas in both quantitative and qualitative terms. His delegation disagreed with the report's conclusion that the large volumes of resources allocated for human resources development in developing countries were not being put to optimum use. Not only did that statement contradict the earlier assertion that such resources had been diverted to military budgets, there was no evidence to support the view that such large levels of resources were indeed available. His delegation agreed that human resources development was essential to economic growth and development, and he was encouraged to see that even the International Monetary Fund had been persuaded to take the social dimensions of development into account in its structural adjustment programmes.

30. The transfer of resources from developing to developed countries was not a short-term phenomenon, but called for a long-term approach involving the co-ordination of international macro-economic policies. The report of the Secretary-General on that phenomenon (A/45/487) noted that sub-Saharan Africa had experienced positive net financial transfers throughout the 1980s, although the effect of that situation had been offset by the persisting unfavourable terms of trade during the latter part of the decade. In any event, it was questionable how widespread such positive net financial transfers had been. For many countries, including his own, net financial transfers to developed countries and multilateral financial institutions continued to dominate the national economy. The United Republic of Tanzania was dependent on the export of commodities and thus suffered from the international economic environment. Countries in that situation were caught in a vicious circle in which it was extremely difficult to initiate measures to roll over debts within a specific period of time. Neither monetary nor fiscal policy reforms in those countries had yielded the expected results, so that that debt-induced vicious circle continued.

31. The report optimistically implied that the global recession of the early 1980s would not recur during the 1990s. As long as there was no fundamental change in the international economic environment and debtor developing countries experienced depressed investment, deteriorating physical infrastructure and serious balance-of-payment difficulties, countries that found themselves at a relative advantage could continue to postpone taking the necessary measures to address those chronic problems. Stable commodity prices and the elimination of protectionist measures against products from developing countries were essential to any solution

(Mr. Sanga, United Republic of Tanzania)

to the debt problem. It was thus of particular importance that both developed and developing countries, acting individually or collectively, should undertake structural adjustment programmes in relevant economic areas. Adjustment programmes in the industrial countries should be geared towards reducing protectionism while making room for competitive manufacturers from developing countries.

32. The numerous initiatives to deal with the debt problem had failed because they had addressed the symptoms of the problem rather than its causes. It was no coincidence that most of those initiatives had been narrow in scope and discriminatory in nature. The report of the Personal Representative of the Secretary-General on Debt (A/45/380) deviated little from that approach. Consequently, additional measures were necessary, bearing in mind that investment could not flourish in the developing countries, particularly in Africa, without an increase in real terms of net official financial flows.

33. Given that many developing countries were economically dependent on the export of agricultural commodities, it was ironic that the same countries perpetually experienced food shortages and insecurity. His delegation therefore appreciated the efforts of the World Food Council to find solutions to the problems of world hunger and malnutrition. The success of those efforts could best be guaranteed if the current international trading system was reformed to accommodate trade in foodstuffs from developing countries at stable and predictable prices.

34. The recommendations of the World Food Council at its sixteenth session (A/45/19) should be incorporated in a plan of action that, in turn, should be reflected in the medium-term plan for 1992-1997. However, those efforts would face difficulties if the Uruguay Round of multilateral trade negotiations failed to produce an agreement. He therefore called upon the parties concerned to adopt positions that would lead to a successful conclusion of the Round in December.

35. The energy problems of developing countries, and of the least developed countries in particular, were exceptionally pressing because of the current Gulf crisis. The need to implement the Nairobi Programme of Action for the Development and Utilization of New and Renewable Sources of Energy was more urgent than ever before. The role of joint ventures in the framework of both North-South and South-South co-operation in the achievement of the goals and objectives of the Nairobi Programme of Action could not be over-emphasized. The rapid and effective transfer to the developing countries of technology relating to new and renewable sources of energy represented the only practical way of achieving those objectives.

36. The international community's efforts to date to address all the problems he had mentioned were commendable but nevertheless were not commensurate with the developing countries' needs. The implementation of the commitments and policies set out in the Declaration on International Economic Co-operation as well as those in the Programme of Action of the Second United Nations Conference on the Least Developed Countries could help to alleviate the economic plight of the developing countries in general and the least developed countries in particular.

37. Mrs. HASSAN (Egypt) welcomed the consensus that had been reached on the international development strategy for the fourth United Nations development decade, which showed the international community's determination to meet the economic challenges of the new international political environment. The consensus was the result of a constructive approach that had begun with the adoption of the Declaration on International Economic Co-operation at the eighteenth special session of the General Assembly. The most important concept to be reflected in both the Declaration and the strategy was the principle of shared responsibility.

38. Food problems were among the most fundamental issues addressed in the context of international co-operation. Although technology had raised the level of world food production to the point that it was possible to feed the whole planet, over 500 million people in the world continued to go hungry or to be undernourished, a situation that needed urgently to be rectified. The World Food Council had a vital role to play in that regard. The hunger-alleviation goals set out in the Cairo Declaration could be achieved through sustained development which took the improvement of the human condition as a central objective.

39. Food strategies for developing countries must place greater emphasis on increasing production through increased productivity. She welcomed the Council's call for a renewal of the Green Revolution and supported the holding of an interregional consultation in February 1991 to formulate a strategy for international co-operation to meet food production challenges in the 1990s. Food strategies should be integrated into national macro-economic policies to ensure that adjustment led to long-term, sustainable reductions in hunger and malnutrition. Improvement in the overall economic environment was also of great importance. Finally, while it was important that agricultural trade should be brought within the framework of GATT, the higher prices produced by agricultural reforms would have a negative impact on net food-importing countries such as her own. It was therefore to be hoped that the Uruguay Round would satisfactorily address that question.

40. Mr. Gianelli (Uruguay), Vice-Chairman, took the Chair.

41. Mr. OLISEMEKA (Nigeria) said that economic growth and development would not take place in the developing countries until durable and far-reaching structural changes were made in the global economic and financial system. The adoption of the Declaration on International Economic Co-operation at the eighteenth special session of the General Assembly and the agreement reached on the international development strategy for the 1990s were encouraging developments. His delegation was convinced that countries would demonstrate the political will necessary to permit realization of the measures set out in those documents.

42. Developing countries had been assured that when the European Economic Community became a unified trading bloc in 1992 there would be no adverse consequences for non-member States. He welcomed that assurance but looked forward also to a constructive trading relationship with EEC in which trade barriers would be removed. It was also to be hoped that the Economic Community of West African States (ECOWAS) would be able to co-operate with EEC.

(Mr. Olisemeka, Nigeria)

43. The slow-down in world output and the trade and fiscal imbalances which persisted among the major industrialized countries had compounded the developing countries' sense of vulnerability. To alleviate their concern, those negative trends must be reversed. The trading partners of the developing countries, particularly those in Africa, should expand their trade with developing countries, make a genuine effort to reach the agreed international targets for official development assistance and find adequate ways of implementing the commitments set out in the Declaration of the eighteenth special session of the General Assembly, the Programme of Action of the Second United Nations Conference on the Least Developed Countries and the international development strategy for the fourth United Nations development decade.

44. The world community was on the threshold of an improved environment for international economic co-operation, the Gulf crisis notwithstanding. The trend towards combining multilateralism with bilateralism for mutual benefit should be developed and sustained. Nigeria was particularly encouraged by the co-operative efforts demonstrated by such subregional economic groups as ECOWAS, the Maghreb Arab Union, SADCC and the prospective African Economic Community, the establishment of which would be considered by the Organization of African Unity in 1991. In addition, chambers of commerce and industry in developing countries were working to promote mutually advantageous trade in the context of South-South co-operation.

45. Mr. ANDREEN (Sweden), speaking on behalf of the Nordic countries, said that, owing to the relatively low prices of conventional fuels, the implementation of the Nairobi Programme of Action for the Development and Utilization of New and Renewable Sources of Energy during the 1980s had been slow. The current international situation demonstrated how lack of investment in efficient renewable sources of energy had left countries vulnerable to price shocks and supply difficulties. Countries should endeavour to make more efficient use of their energy resources while gradually increasing their use of renewable and environmentally sound sources of energy. A variety of well-developed technologies in all major areas of renewable sources of energy already existed; the problem was to find ways to overcome the barriers to their successful dissemination and commericialization. That could be done by integrating environmental costs into the assessment of energy projects, which would make renewable sources of energy more competitive vis-à-vis non-renewable ones, by encouraging closer co-operation between the public and private sectors in promoting the use of renewable energy and by strengthening developing countries' capacity to formulate and implement policies conducive to renewable energies. Pricing policies would also play an important role, and special attention must be given to the needs of developing countries, in particular the least developed countries. Renewable sources of energy should no longer be advocated simply as alternative energy sources but must form an integral part of future environmentally sound and sustainable energy systems.

46. The many countries members of the Economic Commission for Europe (ECE) were committed to removing existing barriers to the introduction of energy-efficient technology and renewable energy. The ECE member countries planned to initiate a campaign, entitled "Energy Efficiency 2000", to enhance trade and co-operation in energy-efficient and environmentally sound techniques and management practices.

(Mr. Andreen, Sweden)

47. There was a vital link between energy and environment, and the choice of a particular energy strategy also required a suitable environment strategy. With the threat of global climate change, the issue of energy had become more urgent, and the United Nations system could play a crucial role changing current patterns of consumption of non-renewable sources of energy, promoting energy efficiency and stimulating the development and diffusion of renewable sources of energy. The bodies of the United Nations system which dealt with energy issues must be strengthened at the policy-making level. The United Nations should also improve its monitoring of the environmental impact of energy production and use.

48. The United Nations Conference on Environment and Development would provide a major opportunity to address those issues and concerns. Sustainable and environmentally sound energy policies would be key issues for the success of the Conference. The Nordic countries were also pleased that the Intergovernmental Committee on the Development and Utilization of New and Renewable Sources of Energy had already laid the foundation for its significant contribution to the Conference, and that the Preparatory Committee for the Conference had decided to invite that Committee not only to make relevant studies available but to consider appropriate action, including funding and technology transfers. The relevant United Nations bodies should make a special effort to formulate an outline of a plan for the transfer of technology to developing countries which would enable those countries to build up their indigenous scientific, technical and managerial capacities. That outline should be part of the Committee's contribution to the Preparatory Committee at its fourth session.

49. Mr. HOLTHE (Norway), speaking on behalf of the Nordic countries, said that the Nordic countries fully supported the proposed text of the international development strategy for the fourth United Nations development decade contained in document A/45/41. The text was both a basic set of political guidelines of a more permanent nature, and a list of flexible goals and priorities which could be periodically updated. It quite rightly balanced the emphasis on countries' responsibility for their own development by stressing the importance of favourable international conditions for development.

50. Like many other Member States, the Nordic countries would have liked to see some aspects of the strategy more forcefully or more explicitly formulated. It was disappointing that the text gave less than adequate treatment to the principle of environmentally sound and sustainable development. Fortunately, intergovernmental co-operation in that area was developing rapidly, and the process would be further accelerated by the preparations for the United Nations Conference on Environment and Development. The Nordic countries were confident that the Conference would result in a further refined strategy for sustainable development throughout the world.

51. The cluster of issues which could be labelled as "democracy, human and civil rights and broad popular participation" had received less than full justice in the strategy, and the role of women, particularly as agents of and contributors to development, had been virtually ignored. The Nordic countries hoped that

(Mr. Holthe, Norway)

recognition of the importance of those issues would continue to grow and that the strategy would be revised and strengthened in those areas at the first opportunity.

52. The severity of the debt problem required sustained and strengthened efforts of all parties concerned to place the debtor countries firmly on the path of growth in the 1990s. The flow of resources to developing countries must be substantially increased and donor countries should endeavour to reach the ODA target of 0.7 per cent of their gross national product (GNP).

53. Mr. MISSARY (Yemen) said that, in the past, Yemen's difficult economic situation had led to the emigration of many Yemeni citizens, especially to neighbouring fraternal countries. More than two million Yemenites lived and worked abroad. Yemen had been particularly hard hit by the recent crisis in the Persian Gulf, and 520,000 Yemenites had had to return from Saudi Arabia. The Yemeni Government was taking appropriate action to provide for the return of its migrant workers and to ensure that they enjoyed all their human and cultural rights. In the light of the current international situation, there was a need to review the domestic policies of countries which received emigrants from other countries.

54. The international development strategy for the 1990s underscored the importance of human resources development for development as a whole. Provision must be made for the full participation of all people in economic and cultural life and all Governments must be encouraged to promote respect for human rights through the enactment of stronger legislation to protect their citizens. Yemen had enacted legislation on its 31 political parties, and, having entered a new phase in its development, should soon be adopting important legislation in the economic field with a view to encouraging local and Arab and foreign investment. In view of the strategic and historic importance of the region, Yemen should become a free zone.

55. Development could not be divorced from popular participation, democratization and the protection of human rights. Moreover, it must be recognized that, in many countries, and particularly the developing countries, economic stagnation and poverty had resulted in serious political and economic upheaval. Economic development must promote the well-being and human rights of all citizens and the security of communities through popular participation.

56. U KYAN TINT SWE (Myanmar) said that the international development strategy for the fourth United Nations development decade contained all the elements necessary for the revitalization of the development process in developing countries. His delegation was encouraged by the strategy's call for a supportive economic policy framework, both national and international. The strategy also underscored the need to take full account of the interests and concerns of all countries in the co-ordination of macro-economic policies. As a least developed country, Myanmar was pleased to note that the strategy, in dealing with the debt problems of the least developed countries, called for the urgent and vigorous implementation of the measures agreed upon in the Paris Declaration and Programme of Action.

(U Kyan Tint Swe, Myanmar)

57. If the goals of the strategy were to be achieved, the mobilization of the domestic resources of the developing countries should be complemented by an adequate flow of external development finance. In particular, the negative net transfer of resources to developing countries must be halted and reversed. While most developing countries welcomed direct foreign investment and many, including Myanmar, had established a positive investment climate, foreign direct investment could not always be relied upon as a panacea for the negative net transfer of resources. The debt crisis and the negative net transfer of resources of the developing countries were intimately linked, and the solution of the problem of external debt was central to the solution of the problem of the negative net transfer of resources.

58. The reduction of hunger and malnutrition and the eradication of poverty remained important but unfulfilled goals. Myanmar, a food-exporting country, had been actively implementing the measures aimed at raising agricultural output and strengthening food security. Food strategies had been integrated into national macro-economic policies. In Myanmar, only 25 million acres of the 46 million acres of arable land were under cultivation. Nation-wide efforts to bring more land under cultivation were being initiated through various projects. Such national policies could thrive only in a favourable international environment, and the prospects for the economic growth of developing countries would be greatly enhanced by the dismantling of tariff and non-tariff barriers. Bringing agricultural trade within the purview of the GATT rules would give the producer countries a much-needed incentive to increase production and would contribute greatly to the attainment of food security. His delegation therefore hoped that the long-term reform of agricultural trade would be successfully resolved at the Uruguay Round of multilateral trade negotiations.

59. Mr. HASSAN (Pakistan) said that human resource development would strengthen the scientific and technological capabilities of all developing countries and broaden their economic base. Enhancement of human potential through better education, health services, training, housing and food security called for outside resources in addition to domestic resources.

60. The most disturbing trend of the late 1980s had been the net outward transfer of resources - on the order of $30-40 billion - from capital-importing developing countries. Moreover, the situation of resource-scarce developing countries had worsened as a result of the decline in investment and rising inflation. His delegation had urged the developed countries to make every effort to reach the agreed ODA target of 0.7 per cent of their gross national product. The capital base of the World Bank and the resources of the International Monetary Fund should be increased in order to transfer more resources to developing countries on softer terms.

61. The report of the World Food Council had pointed out that hunger, malnutrition and poverty were no longer limited to the developing countries but were also affecting parts of the industrialized world. His delegation supported the Council's emphasis on improving the overall economic environment in order to increase food production and distribution. It also wished to reiterate its support

(Mr. Hassan, Pakistan)

for the Cairo Declaration and its four broad hunger alleviation goals - the elimination of starvation and death caused by famine; a substantial reduction in malnutrition and mortality among children; a tangible reduction in chronic hunger; and the elimination of major nutritional-deficiency diseases.

62. Recent events in the Persian Gulf region had brought out the importance of fully implementing the Nairobi Programme of Action for the Development and Utilization of New and Renewable Sources of Energy. As a result of the crisis, developing countries had had to divert resources from development programmes in order to buy oil. It was incumbent on the developed countries to transfer technologies for the utilization of new sources of energy to the developing countries.

63. Ms. CAREY (Bahamas) said that her delegation welcomed the spirit of consensus which had prevailed at the Eighteenth Special Session of the General Assembly and, again, during the preparation of the International Development Strategy. The Bahamas attached great importance to industrial development, which was essential to sustained economic growth and social development. Direct foreign investment could be a vital component of her country's programme to promote and accelerate the process of industrialization in the 1990s. Foreign investments would provide additional resources and access to modern technologies, skills and markets. In that context, the Bahamas had adopted a new policy on investment programmes to the twenty-first century, which sought, in particular, to attract investments which would help it derive increased benefit from the Caribbean Basin Initiative of the United States and the Lomé Convention of the European Economic Community. The programme also placed special emphasis on the creation of job and joint-venture opportunities for Bahamians.

64. Her delegation agreed that the progress of the strategy must be periodically reviewed. It hoped that the strategy would be implemented with a measure of flexibility, taking into account the increasing globalization and interdependence of the world economy and the need for international economic co-operation and continuous dialogue.

65. Greater emphasis on agricultural productivity would strengthen food security and self-reliance in the Bahamas and diversify the economy of a country which currently imported more than 80 per cent of its food. The Bahamas was making a considerable effort to acquire improved agricultural technology which, at the same time, was appropriate for its ecology and farming system.

66. The guidelines being drafted by the World Food Council would greatly enhance international efforts to resolve world food problems. Although they were not referred to in the Strategy, fisheries could also play an essential role in the development effort. In the Bahamas, fishing was considered one of the keys to a revitalization of economic growth in the 1990s. Improving the knowledge and skills of fishermen; acquiring technology for the fishing industry; and adapting the technology through indigenous research were all priorities of the Bahamian

(Ms. Carey, Bahamas)

Government. In particular, a number of incentives had been provided to investment in aquaculture as a means of increasing the profitability of fish-farming operations.

67. Human resource development must remain a high priority at both the national and international levels, as it strengthened the relationship between economic growth and social welfare. As Governments sought to boost economies, attention must also be focused on issues such as literacy, health and, in particular, education. Developing countries must be given financial and administrative assistance for infrastructure development and the establishment and strengthening of training institutions, particularly in the areas of technical assistance and curriculum development. The Bahamas was itself attempting to improve its institutional framework for human resource development.

68. Mr. MCDONALD (Commission of the European Communities) said that since the eruption of the Persian Gulf crisis, the European Community and its individual member States had contributed a total of 98.2 million ECUs or approximately $130 million, in assistance to refugees in Jordan. Of that, approximately 11.2 ECUs represented food aid. The operation had been carried out in co-ordination with, inter alia, the Office of the United Nations Disaster Relief Co-ordinator (UNDRO) and non-governmental organizations.

69. The Community and its member States remained concerned about the situation in Angola, particularly in the South. The United Nations was negotiating a relief plan with both the Angolan Government and the União National para a Independencia total de Angola (UNITA) to clear the mines from access roads in order to ensure safe access corridors to the populations threatened by famine.

70. Large-scale assistance by donor countries had averted famine and mitigated the effects of drought in Ethiopia in the period 1989-1990. In that effort, the European Economic Community had furnished 280,000 tons of food and over 11 million ECUs in non-food assistance such as medicine and the transport of refugees. If the assistance provided by individual member States were added to that amount, the Community had provided a total of 160 million ECUs in assistance. As harvests in Eritrea and Tigre were also expected to be poor in the period 1990-1991, it would be important for donors to maintain deliveries beyond the end of the year.

71. The Community had paid for the transport of its food aid to Ethiopia and appealed to other donors to do likewise, since failure to do so might mean that the aid would not reach the intended beneficiaries. As discussions concerning the port of Massawa were deadlocked, the Community and its member States hoped that agreement could be reached on an operational plan for the distribution of food relief in the northern part of the country.

72. Thousands of people in the Sudan were threatened by famine, the result of both serious drought and conflict. The World Food Programme and FAO estimated that 1 million tons of food - 300,000 tons of it in emergency aid - were needed in the southern and western portions of the country and in Khartoum. Since the Government

(Mr. McDonald)

of the Sudan had not yet made an appeal for international help, donors were powerless to take action. The Government must deal with the country's sorgo shortage by accepting imports and prohibiting exports of the crop. It must also consider distributing sorgo to the needy free of charge and providing facilities for the transport of food to the interior.

AGENDA ITEM 12: REPORT OF THE ECONOMIC AND SOCIAL COUNCIL (continued)
(A/C.2/45/L.6/Rev.1)

73. The CHAIRMAN said that India had joined the sponsors of draft resolution A/C.2/45/L.12 entitled "Assistance to the Palestinian people".

The meeting rose at 12.40 p.m.

UNITED NATIONS

General Assembly

FORTY-FIFTH SESSION

Official Records

SECOND COMMITTEE
24th meeting
held on
Monday, 29 October 1990
at 3 p.m.
New York

SUMMARY RECORD OF THE 24th MEETING

Chairman:	Mr. PAPADATOS	(Greece)
later:	Mr. AMAZIANE (Vice-Chairman)	(Morocco)

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The meeting was called to order at 3.05 p.m.

AGENDA ITEM 79: DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION (continued) (A/45/3, A/45/25, A/45/64; A/45/73-S/21065, A/45/74-S/21068; A/45/113 and Add.1; A/45/138-S/21161, A/45/160-S/21182, A/45/164-S/21187; A/45/276-E/1990/88; A/45/299, A/45/303; A/45/310-S/21355; A/45/334-E/1990/100; A/45/350; A/45/381-E/1990/118; A/45/451, A/45/487, A/45/491, A/45/584, A/45/597; A/45/598-S/21854; A/45/657, A/C.2/45/5, A/C.2/45/L.4)

(a) INTERNATIONAL DEVELOPMENT STRATEGY FOR THE FOURTH UNITED NATIONS DEVELOPMENT DECADE (1991-2000) (continued) (A/45/41)

(d) FOOD PROBLEMS (continued) (A/45/19, A/45/583)

(e) NEW AND RENEWABLE SOURCES OF ENERGY (continued) (A/45/36 and Add.1)

(f) DEVELOPMENT OF THE ENERGY RESOURCES OF DEVELOPING COUNTRIES (continued) (A/45/274 and Corr.1)

1. Mr. BANDARA (Sri Lanka) said it was evident that the world was becoming increasingly interdependent and that rapid integration demanded international economic co-operation on a multilateral basis in order to achieve the ultimate goal of economic development, improvement of the social and economic situation of all human beings.

2. Serious imbalances continued to exist in the international economic system which it was necessary to correct. The responsibility of each country for its own policies directed towards social and economic development had now been recognized. Those policies should also take into account the obligation to enhance international economic co-operation and development. However, the developing countries could not achieve such social and economic development without the help of the international community, which must dedicate itself to dealing urgently with the destabilizing factors such as large debt overhang, fluctuating interest and exchange rates, energy and commodity prices, and the net transfer of resources from developing countries to developed countries.

3. The importance of human resources development had been recognized in the Declaration on International Economic Co-operation adopted at the eighteenth special session of the General Assembly and the international development strategy for the fourth United Nations development decade: social and economic development must complement each other and proceed simultaneously, and for that purpose human resources development must be placed high on the agenda of international co-operation for development.

4. His country gave the highest priority to that aspect of development. Most of its basic social services were free, particularly health and education services. The literacy rate was about 90 per cent, the average life expectancy at birth was 68 years for males and 72 years for females, Sri Lanka had one of the lowest infant mortality rates in the world, and the problem of malnutrition among children and adults was now being addressed by the national Poverty Alleviation Programme.

(Mr. Bandara, Sri Lanka)

5. As could be seen from the reports published by the Food and Agriculture Organization of the United Nations (FAO), the problem of hunger was a result not of a lack of food but of inadequate distribution. Many developing countries did not have the resources needed to import enough food to meet the needs of their population because of the high prices of foodstuffs and freight costs and the low prices of their exports, which were primarily commodities. They therefore had no alternative but to acquiesce in the dictates of the international trade system.

6. His delegation had been pleased to note that the World Food Council had called for the renewal of the "green revolution". In the present circumstances, and taking into account the fact that by the year 2000 the world would have to provide food for an extra 1 billion people without depleting the Earth's limited resources, it was necessary to apply technologies which would not endanger the environment and to make those technologies available to the actual users, i.e., farmers.

7. His delegation fully supported the international development strategy for the fourth United Nations development decade, which symbolized the newly emerging consensus in international economic co-operation for development, and hoped that the strategy would be a positive influence on the national policy makers of the North and the South.

8. Ms. SEALY (Jamaica) said that her country placed the highest priority on human resources development. The Secretary-General's report on the subject (A/45/451) took note of the limited progress that had been made in improving the level of human development within recent years. However, the Declaration on International Economic Co-operation adopted by the General Assembly at its eighteenth special session, and the international development strategy for the fourth United Nations development decade would provide specific guidelines on how the strategies for human development should be pursued.

9. Her delegation firmly believed that human development was essential in order to achieve overall and sustained economic growth. Unfortunately, many countries found it difficult to allocate adequate resources to human development, which included such important areas as education and training, health, nutrition and housing, the development of scientific and technological capability and the integration of women in development. The burden of debt servicing and enforcing structural adjustment policies had slowed the effort to develop human resources and even eroded the earlier progress made.

10. Her delegation acknowledged that the primary responsibility for human resources development rested on the countries themselves and, from that point of view, human development programmes and strategies should form an integral part of national development plans. Human potential could best be utilized through the process of education and training, and training programmes should take into account present and future skill requirements as well as the negative impact of migration. It would also be necessary to explore policies which might facilitate the recruitment and retention of skilled personnel, as well as the role which education technology could play in addressing education and training needs.

(Ms. Sealy, Jamaica)

11. Her Government, in its recently adopted five-year development plan, had stated that one of its main tasks was that of achieving substantial and lasting improvements in human resources development. The plan aimed at a qualitative improvement in basic education, extension of pre-primary facilities and rationalization of secondary education. It recognized that science and technology would play a dominant role as the twenty-first century approached, and was cognizant of the need for an appropriate mix of traditional, locally generated and imported technologies. Special attention would be given to action to integrate all groups, especially women, into the development process. Health, nutrition, housing and other social services would also be given special consideration.

12. At the regional level, the Governments of the CARICOM region were taking action to implement the resolution on human resource development contained in the Grand Anse Declaration of July 1989 and reaffirmed in the Kingston Declaration of August 1990, which recognized that the human resources of the region, including indigenous entrepreneurship and expansion of the knowledge base must constitute central elements of regional and national development strategy. At a more general level, strategies aimed at human resources development could benefit from co-operation among groups of countries including the developed and developing countries. Among developing countries the feasibility of educating and training each other's students, which would make a great contribution to technical co-operation among developing countries, should be explored more actively.

13. Although the main effort must be made at the national and regional levels, the support of the international community through the appropriate multilateral agencies was indispensable. In that regard, she would suggest that their assistance should include systematic co-ordination and reporting on donor activities, which would facilitate the exchange of information and the setting of targets in promoting efforts of countries to develop their human resources.

14. Mr. Amaziane (Morocco), Vice-Chairman, took the Chair.

15. Mr. VASQUEZ (Peru) said that international economic co-operation constituted a challenge for the international community and demonstrated the authenticity of the commitments undertaken by individual States.

16. His delegation welcomed the international development strategy and believed that it provided a conceptual framework which, having been adopted by consensus, ought to orient efforts to promote the urgent reactivation of developing economies.

17. It was no accident that the net negative transfer of resources had first become apparent when the developed countries had decided to raise interest rates to bring inflationary tendencies in their economies under control, or that seven years of sustained economic growth in the industrialized countries had corresponded to profound stagnation in the developing countries, or that resources moving from the developing world to the industrialized economies were considered transfers while those going between developed countries were described as free movements of capital. The injustice of that situation was obvious.

(Mr. Vasquez, Peru)

18. His delegation welcomed the Secretary-General's report on the net transfer of resources, which discussed not only the servicing of external debt but also the deterioration in the terms of trade; that situation was resulting in a constant loss of purchasing power where the developing countries' export earnings were concerned and thus a transfer of considerable magnitude, often unrecorded, which increased the total volume of resources transferred. That movement also led to internal transfers of resources away from certain social sectors of the economy in order to service external debt, thereby undermining official budgets and causing poverty to rise in debtor countries. Generally speaking, the transfer of resources from developing countries had been negative, despite the fact that certain sub-Saharan African countries had registered positive trends in the area of financial transfers. Furthermore, that movement had increased in recent years, even though it had declined in the mid-1980s, to form a kind of permanent debt which placed a heavy burden on the so-called capital-importing countries.

19. With regard to agricultural and food problems, his delegation hoped that negotiations under the Uruguay Round on the international market for agricultural products would conclude successfully. However, rising prices resulting from market liberalization would work to the detriment of net food-importing developing countries, which included most African and Caribbean countries as well as a significant percentage of the countries of Latin America.

20. While agricultural markets were undergoing reform, an ad hoc mechanism would have to be established to help alleviate the adverse effects of higher prices for agricultural products by means of food aid, sales on concessional terms and additional financial resources, of agricultural products. Such an increase in prices would exacerbate even further the external debt-servicing problem of net food-importing countries, which urgently needed to increase their own agricultural production and productivity in order to overcome food dependency. To that end, adequate financial resources would have to be received from the appropriate multilateral bodies and the Governments of the industrialized countries.

21. Mr. LIU Zhaodong (China) said that the Ad Hoc Committee of the Whole for the Preparation of the International Development Strategy for the Fourth United Nations Development Decade had finally reached consensus on the strategy for the 1990s, the main objective of which was to ensure the accelerated development of the developing countries and the strengthening of international economic co-operation during the coming decade.

22. Implementation of the strategy required the efforts of all countries. Given their importance in the world economy and the impact of their economic policies, the developed countries must bear more responsibility and endeavour to do more to implement the strategy by taking measures to reduce the debt burden of developing countries, stabilize commodity prices, eliminate various protectionist trade measures and increase capital flows to developing countries. His delegation hoped that all countries would implement the strategy effectively; that would require political will and adequate mechanisms for periodic review and appraisal of its implementation.

(Mr. Liu Zhaodong, China)

23. Food was the key to human survival and development. However, more than 1 billion people in the third world suffered from hunger, and so long as their survival was in question, development was a luxury. The expansion and acceleration of food and agricultural production in the developing countries constituted a good basis for revitalizing economic growth and development in those countries and would also contribute to the expansion of the international market for agricultural products and the prosperity of the world economy. To that end, the developing countries must give priority to agriculture and food production in their economic development plans and continue to readjust agricultural inputs, adopting pricing policies favourable to development, strengthening the agricultural infrastructure and improving agricultural extension services.

24. The solution of world food problems depended on the existence of a favourable international economic environment. His delegation hoped that the international community, particularly the developed countries, would increase food aid and the transfer of resources and agricultural technology to the developing countries and reduce their debt burden. The Uruguay Round should take into account the special conditions of developing countries, extend favourable treatment to their agricultural products and improve their market access.

25. Co-operation among developing countries in the area of agricultural technology was extremely important; it would play a major role in the promotion of their socio-economic development and strengthen their self-reliance. His delegation hoped that the developed countries, FAO, the United Nations Development Programme (UNDP), the International Fund for Agricultural Development (IFAD) and other organizations of the United Nations system would provide greater financial and technical assistance to the developing countries in order to promote their co-operation in that area.

26. The development and utilization of new and renewable sources of energy not only promoted the economic development of developing countries but also fostered the establishment of a more stable balance between world energy supply and demand and a better global environment. To facilitate the work of the United Nations system in that field, his delegation supported the proposal to strengthen the United Nations Trust Fund for New and Renewable Sources of Energy and the reopening of the UNDP Energy Account; his delegation also requested the Secretary-General to report to the Committee on the Development and Utilization of New and Renewable Sources of Energy at its sixth session on the mobilization of financial resources. China also supported the convening of a meeting of intergovernmental experts to evaluate the implementation of the Nairobi Programme of Action.

27. Population growth and increasing industrialization in the developing countries meant a growing demand for energy, but the lack of financial and technological resources hampered those countries' energy development efforts. Greater investment and the promotion of regional and international co-operation were required. In recent years, the Chinese Government had promoted the development of the national energy sector through multi-channel and multi-modal financing, including foreign investment and technology. For example, China's coal industry had absorbed foreign

(Mr. Liu Zhaodong, China)

investments amounting $US 1.7 billion, thereby increasing its productive capacity by 49.2 million tons. China had also signed contracts with foreign companies totalling $US 2.6 billion for off-shore oil exploration and $US 5.64 billion for electricity production.

28. Mr. DUGAN (United States of America) said that agricultural and food policies were a key aspect of development. In that regard, his delegation wished to draw attention to the recommendations of the World Food Council and endorsed in particular the emphasis placed on free trade in agricultural products because it believed that open markets would make more food available at cheaper prices to everyone. His country, which had one of the lowest levels of trade protection in the world, had long supported the reduction of tariff and non-tariff barriers within the framework of GATT.

29. His delegation concurred on the need to increase the productivity and income of small farmers, as the history of agriculture in the United States was a testament to the productive potential of such farmers when they were allowed to sell their harvests at fair market prices. From a macro-economic perspective, food strategies and structural adjustment policies must be co-ordinated, for just as agriculture could not flourish in a distorted economy, neither could economic adjustment be successful if it did not reduce hunger and poverty in the long term.

30. Any long-term development strategy must take account of the need to diversify energy sources. Recent events had shown the danger of depending on fossil fuels, and the importance of inexpensive, non-polluting power would continue to grow. The United States believed strongly in the need for new and renewable sources of energy and supported research and development in numerous energy-related areas. During the 1990 financial year it had invested $US 142 million in the development of renewable sources of energy and an allocation of $US 176.9 million was expected for the 1991 financial year. His Government was encouraging the private sector to develop technologies using sunlight, wind, biomass, flowing water, ocean energy and geothermal energy.

31. The United States supported United Nations activities in the field of renewable energy but also believed that the work of the Committee on the Development and Utilization of New and Renewable Sources of Energy could be carried out in other forums through an expert group which could make environmentally sustainable recommendations on the use of those technologies.

32. The United Nations Conference on Environment and Development to be held in 1992 would provide an opportunity to examine and review activities on renewable sources of energy. Notwithstanding its misgivings about the Committee on the Development and Utilization of New and Renewable Sources of Energy, the United States supported the proposal that that body should assist with preparations for the Conference.

33. The international development strategy for the 1990s had provided a means of incorporating the questions of food, resources and energy into the development

(Mr. Dugan, United States)

agenda for the current decade. The United States believed that the consideration of those questions could help promote sustainable growth and development of the developing countries and the world economy.

34. Mr. NANDOE (Suriname) said that the principal aim of the international development strategy was to accelerate development and strengthen co-operation during the 1990s; that would necessitate support from the international community and concerted policies at the national level. It was questionable, however, whether the consensus on the strategy had real, and not merely symbolic, value, since experience had shown that agreements on lofty goals did not necessarily lead to major changes in policy.

35. The deficit in the trade balance of the energy-importing developing countries would rise by $US 17 billion in 1990 and $US 42 billion in 1991. In addition, the capacity of those countries to absorb the increase in oil prices without cutting imports and production was virtually non-existent. As a result, those countries would incur serious external debt problems, with extremely low currency reserves, delays in their adjustment programmes and arrears in payments. Until a long-term solution was found to the debt problem, the economic situation of the developing countries would continue to deteriorate and any talk of development in the 1990s would be meaningless.

36. The situation regarding the flow of resources from the North to the South was not very encouraging. According to a recent communiqué from the Nordic countries, official development assistance (ODA) had declined from 0.36 per cent in 1988 to 0.33 per cent in 1989 of the combined gross national product (GNP) of the member countries of the Development Assistance Committee (DAC), well below the international target of 0.7 per cent. A positive resource flow would help boost investments, production and income generating activities. It was therefore to be hoped that the resources released through disarmament would be reallocated for development.

37. It must be recognized that the human factor played a central role in development. Health, housing, nutrition, education, training and other services were essential to the well-being of all people and to economic development. In consequence, the development of human resources was more important than capital investment. Suriname believed that poverty could be reduced through a development strategy which combined economic growth with increased employment opportunities and a socially just income distribution policy.

38. Mr. TREIKI (Libyan Arab Jamahiriya) said that the world was divided into two different groups, the rich countries, which were growing richer, and the poor countries, which were growing poorer; unless efforts were made to find a solution to the economic crisis, the gap between the groups would continue to grow until peace and security were no longer possible in the world.

39. In the colonial period the developing countries had seen their raw materials plundered, and even when they had achieved their political independence they had

(Mr. Treiki, Libyan Arab Jamahiriya)

still been subjected to economic colonialism by the financial institutions and transnational corporations. While price fluctuations were undermining the commodities market, the prices of manufactured goods continued to rise. Commodity-producing countries should form a consortium or a league, like the Organization of Petroleum Exporting Countries (OPEC); the latter protected not only its own members but also the commodity-producing countries. As a result, the industrialized countries had attacked OPEC, hoping to destroy it. In 1971, OPEC had attempted to establish a price policy, but when oil prices had risen the oil-producing countries had come under attack. While it was true that the price of oil was high, it did not compare with that of mineral water: a bottle of water cost more today than a bottle of oil.

40. Deliberate attempts were being made to undermine the financial capacity of the developing countries by lowering the prices of their commodities. The situation was worsened by the debt crisis, which had risen to over $US 1,300 billion. The debt of the African countries stood at $US 250 billion, and the combined GNP of 39 African countries was less than the defence budgets of certain developed countries. The problem of the developing countries was exacerbated by the outflow of capital, which was greater than the amount they received in assistance and loans. The international community should shoulder its responsibilities in that area.

41. The combined income of the Arab countries did not exceed the military budget of the United States, proving that the petroleum producers were poor countries. Libya was an obvious example: in 1952, upon gaining its independence from the Fascist régime of Italy, Libya had had only one secondary school, no institute of higher education and only one hospital. When it finally gained control of its own resources it was subjected, like other developing countries, to blockades and attacks. Instead of providing the anticipated assistance and aid, the former colonial Powers had applied heavy pressure on the natural resources of the developing countries, and, with the collusion of the financial institutions, had provided "tied" aid, thereby increasing the difficulties of those countries.

42. It must be understood that the current crisis had various causes and was not due exclusively to the rise in oil prices. The crisis would be solved only by attending to the interests of the entire international community and by analysing the oil question in the context of the problem of commodities and not in isolation. Libya had granted loans to a value of $US 3 billion to other developing countries and had established more than 100 joint ventures in Africa, Latin America and Asia, despite the economic difficulties it had faced, primarily as a result of the blockade. His delegation was therefore prepared to give careful consideration to the entire question of commodities and to base that consideration on the shared interests of all countries. In all likelihood, that view would be shared by the other Arab oil-producing countries.

43. Mr. SADEGHI-TEHRANI (Islamic Republic of Iran) said that the completion of the international development strategy had once again demonstrated that the international community was prepared to respond to such major challenges as solving the economic crisis of the developing countries. The effectiveness of the strategy would depend on the political will of all the Member States and, in addition, on the readiness of each organization in the United Nations system to accept its responsibilities within its respective area of competence. Periodic reviews and appraisals should be carried out at all levels to monitor new developments, to allow for revision of the instruments needed to attain the goals of the strategy.

44. Industrialization, population growth and economic development would increase energy demand both in the developed and in the developing countries. The integration of the Eastern European countries in the world economy could further increase the demand for commercial energy. The continued growth in demand for energy, particularly oil, had rapidly closed the gap between production capacities and requirements. That trend underlined the need for a careful study of the future supply and market of commercial energy sources. The preparation of a programme of action aimed at the acceleration of the energy exploration and development of the energy resources of the developing countries could be a starting point.

45. It was necessary to rectify a misconception concerning the Persian Gulf crisis. It was widely believed that the oil-exporting countries were benefiting from the situation, and that they were not prepared to take any positive action. His delegation wished to clarify matters by drawing attention to the following points: (1) the oil-exporting countries had done their best to remedy the situation, and had held an emergency meeting in Vienna at which they, along with non-OPEC oil exporting countries, had decided to increase production; (2) developed countries, on the contrary, had not done their part by releasing their strategic reserves as a complementary measure to that of OPEC and non-OPEC oil-exporting countries; (3) oil prices depended more on psychological and political factors than on market forces; (4) the crisis had adversely affected the economies of the OPEC members located in the Persian Gulf, since it had caused a reverse transfer of resources and an increase in military expenditures; (5) the low oil prices which had prevailed since 1982 had hampered the ability of oil-exporting countries to invest in the exploration and exploitation of new oil fields, and had created large budget deficits, which could result in future shortages of commercial energy supplies; and (6) the OPEC members had always assisted the development of other developing countries; the OPEC Fund for International Development had been activated to respond to the needs of other developing countries in the current crisis.

46. For years, developed countries had tried to keep prices of raw materials low in relation to that of manufactured products, thereby causing a deterioration in the terms of trade of developing countries. As noted in the Secretary-General's report, between 1980 and 1988 prices of non-fuel commodities from developing countries had declined by 40 per cent, and fuel prices had declined by 50 per cent. One of the reasons for that decline was the lack of co-operation among developing countries in augmenting the value of their exports. There had even been cases in which some developing countries, pursuing their own interests,

(Mr. Sadeghi-Tehrani, Islamic Republic of Iran)

had welcomed the decline in the prices of raw materials exported by other developing countries. However, the world economy was becoming increasingly interdependent, and required both co-operation among developing countries and action by developed countries to stabilize the prices of raw materials at an equitable level.

47. Human resources were a key component of national development, and fortunately had been widely recognized as such in recent years. However, the economic crisis which developing countries had undergone in the 1980s had impeded their efforts to promote the development of their human resources. The fact that each individual country was responsible for that crucial task should not divert attention from the negative impact of international economic problems on the capacity of Governments to implement national plans. To help developing countries in their efforts to develop their human resources, support from the United Nations system, from international governmental and non-governmental organizations and from developed countries should be strengthened. His delegation believed that it was time to request the Secretary-General to prepare a report which would examine ways and means of intensifying international co-operation in that field, for submission to the General Assembly at its forty-sixth session.

48. Mr. DEO (India) said that through lengthy deliberations, and as a result of the spirit of accommodation displayed by the delegations, a consensus had been reached on the new international development strategy. The next phase, involving the implementation of the commitments undertaken, also would require flexibility and a spirit of accommodation. Much of the credit for the successful work to date belonged to Mr. Gamani Corea, who had presented an excellent and well-balanced working document that reflected the concerns of all sides and was free of any ideological predilection. The text adopted provided an excellent basis for the revitalization of growth and development of the developing countries, while taking into account the recent changes in the global economy and stressing the importance of sound macro-economic management, as well as the role of developed countries in establishing a stable international economic environment.

49. In order to reverse in the 1990s the negative trend of the 1980s, co-operation between developed and developing countries would have to be intensified, and real political will would have to be in evidence. With the end of the East-West confrontation, it should be possible to increase official development assistance so that developing countries could realize their potential to the benefit of all. In spite of the increasing interdependence of all countries, artificial divisions, such as that between North and South, first world and third world, continued to persist. The spirit of co-operation reflected in the text of the international development strategy should help to bring about a change in attitudes and perceptions. In the coming months, the international community would have to take major decisions on issues such as international trade, external debt and resource flows. He hoped that the international community would be able to demonstrate a sense of solidarity oriented towards securing the well-being of all peoples.

(Mr. Deo, India)

50. According to the report of the World Food Council, there were about 550 million people in the world - most of them in Asia - who suffered from hunger; it was legitimate to wonder why hunger persisted in a world of abundant resources. His delegation endorsed the four broad hunger-alleviation goals contained in the Cairo Declaration. The first step towards solving the problem was to stimulate food production in developing countries. In that regard, the international development strategy emphasized the need to strengthen international co-operation in the transfer of agricultural technology, particularly technology that was directly related to food production, processing and storage. Developing countries should also have access to advances in biotechnology and genetic engineering.

51. On a number of occasions, the General Assembly had affirmed that the right to food was a universal human right, and that food should under no circumstances be used as an instrument of political pressure.

52. His delegation believed that any agreement on agricultural trade should provide for preferential treatment of developing countries, and should take into account the food security objectives of those countries.

53. With respect to human resources development, he expressed his appreciation of the Secretary-General's report, and noted the increasing recognition around the world that the purpose of development was to improve the human condition. In consequence, although economic growth was a sine qua non for human development, social indicators were acquiring greater significance in the evaluation of development.

54. The social infrastructure of developing countries and their capacities in the social sectors were characterized by deficiencies in such areas as primary health care, hygiene, nutrition and education. The responsibility for correcting those deficiencies lay primarily with the countries concerned, but the importance of economic and technical co-operation among developing countries, as well as the support of developed countries, must also be emphasized. The development of human resources was both an end in itself and a means of expanding the productive capacity of developing countries. It was noted in the Secretary-General's report that economic stagnation in those countries, largely due to international conditions, was an important reason for their social stagnation. Therefore, in addition to national measures, international measures must be taken to promote the development of human resources in those countries.

55. The World Economic Survey painted a discouraging picture regarding the net transfer of resources from the developing countries, as did the Secretary-General's report on the subject, which quoted the figure for net transfers of capital from the developing to the developed world in 1989 at a disquieting $26 billion. Severe indebtedness and rising interest rates, along with declining terms of trade and the persistence of protectionist measures in the developed world, were some of the factors that hindered the access of developing countries to the resources that were indispensable for their development. Those countries should be provided with adequate means to increase their export earnings; it was necessary to approach the

(Mr. Deo, India)

problem of indebtedness comprehensively, and to take measures to eliminate the protectionist barriers that were impeding the developing world's trade and to facilitate the access of their products to the market.

56. With regard to the problem of energy resources, the recent Middle East crisis had aggravated the insecurity and vulnerability of the developing countries because the rise in oil prices was affecting all aspects of the development activities of the poorest countries, especially those countries that were net importers of energy. In some countries, the rise in energy prices would be detrimental to industrial and agricultural output, and would limit economic growth in general and per capita income in particular. In their recent Declaration, the Ministers for Foreign Affairs of the Group of 77 had urged the international community to explore ways of overcoming the adverse effects of fluctuating energy prices on developing countries.

57. The 1981 Nairobi Conference had been a landmark in the context of international co-operation in developing new and renewable sources of energy, a matter which was still of crucial importance. In the developing world hundreds of millions of people used fuelwood and biomass resources as their main energy sources. However, given the increase in energy needs, and the rise in oil prices already referred to, alternative energy sources would have to be identified and new technologies developed in order to utilize renewable sources of energy. In that connection, the international community should provide assistance to facilitate the dissemination and transfer of those technologies to the developing countries on concessional and preferential terms. In India, recourse to renewable sources of energy had been expanding rapidly, through the use of smokeless wood stoves, the biogas programme, developments in solar photovoltaic technology and wind energy. The United Nations system could play an important role in financing and encouraging projects, surveys and studies in that area, which also offered excellent prospects for South-South co-operation. Lastly, the report of the fifth session of the Committee on the Development and Utilization of New and Renewable Sources of Energy was important and highlighted the need for full implementation of the Nairobi Programme of Action.

58. Mr. ROKOTUIVUNA (Fiji) said that his delegation fully supported the statements by the representative of Australia, who had spoken on behalf of the Cairns Group of agricultural exporting countries, and the representative of Bolivia, who had spoken in his capacity as Chairman of the Group of 77. Although many developing countries feared that the changes taking place in the world would leave them worse off, the adoption by consensus earlier in 1990 of the Declaration on International Economic Co-operation and the international development strategy for the fourth United Nations development decade suggested the existence of a stronger political will to make real progress towards sustainable development throughout the world. The new strategy accepted the principle of shared responsibility, incorporating both national and international measures, and was particularly valuable because it gave high priority to human resources development.

(Mr. Rokotuivuna, Fiji)

59. The question of international trade in food and agricultural products had not yet been settled in the Uruguay Round of negotiations. The Uruguay Round would not succeed unless a more liberal framework for agricultural trade was instituted, thereby increasing the predictability and stability of food supply and prices.

60. The situation of the island developing countries, of which Fiji was one, was particularly delicate, since they were among the most vulnerable developing countries. There were more than 20 island developing countries and territories in the island Pacific sub-region, four of which were least developed countries. A recent ESCAP report confirmed that many Pacific island States had experienced little or no growth in 1989/90 because of the devastation caused by hurricanes during that period. For the fragile economies of those countries, it was fundamental that agreement should be reached on an international development and trading framework.

61. The Gulf crisis had resulted in a sudden escalation of fuel prices, which had impinged heavily on the developing countries. It was, therefore, particularly necessary and urgent to revitalize the Nairobi Programme of Action for the Development and Utilization of New and Renewable Sources of Energy.

62. Mrs. DE WHIST (Ecuador) said that those development measures which were strictly economic would yield lasting and satisfactory results only when, in accordance with the spirit of the preamble to the United Nations Charter, human beings were regarded as the beginning and end of the development process. She referred to the Secretary-General's report on developing human resources for development (A/45/451) and emphasized the crucial importance of education as the determining factor in economic development, controlling population growth, protecting the environment and strengthening peace. In that connection, the developing countries, faced as they were with a crushing external debt burden, the instability of world prices for raw materials and commodities and also instability in the financial markets had serious difficulties in allocating sufficient resources for the development of human resources. Consequently, the necessary political will to encourage international co-operation through the United Nations system was absolutely vital in order to rectify that situation.

63. Regarding the net transfer of resources from the developing to the industrialized countries, she pointed out that in today's world there were over 1 billion people living in absolute poverty who not only lacked housing, education, regular meals and stable employment but were also deprived of such basic rights as the right to live in peace and democracy. That explained the importance of the consensus reached by the international community on the international development strategy for the fourth United Nations development decade.

64. Where food was concerned, the main target must be self-sufficiency for the developing countries, or at least the capacity to meet 75 per cent of their food needs. The negotiations being held in the Uruguay Round were, therefore, of special importance. Those negotiations, which were taking place within the framework of GATT, and the implementation of the UNCTAD VII recommendations were

(Mrs. De Whist, Ecuador)

fundamental to a reactivation of food production in the developing world, which production had declined considerably in recent years.

65. The critical social situation in the developing countries reflected two kinds of inequality: internal inequalities in respect of the distribution of wealth and income, which for some years all the developing countries had been trying resolutely to remedy; and international inequalities resulting from the imbalances and maladjustments in the world economy. Factors such as unstable prices for raw materials, selective and protectionist measures, the flight of private capital and the adverse effects of economic adjustment programmes prevented the developing countries from adopting the necessary measures to right those inequalities.

66. The crisis in the Persian Gulf made it necessary to update the situation described in the reports on the exploration and utilization of energy resources in the developing countries and on the development and utilization of new and renewable sources of energy. The close linkage between those two subjects should be underlined. The energy situation in the non-oil-producing developing countries was particularly serious. Considering that, as stated in the Secretary-General's report, in the last five years the oil-exporting countries had achieved the maximum level of their productive capacity, the Nairobi Programme of Action should be urgently implemented in order to diversify energy sources. In that connection, she attached importance to the views of the delegation of Austria regarding new and renewable sources of energy.

67. Mr. GEBREMEDHIN (Ethiopia), speaking in exercise of the right of reply, referred to the statement by the representative of the European Community at the 23rd meeting and to the reference to Ethiopia in the letter from the representative of France, contained in document A/45/74. Ethiopia shared the Community's concern regarding a peaceful settlement of the conflict which was very seriously affecting the population of his country. His Government had been seeking a solution by all possible means and to that end had not hesitated to enlist the good offices of statesmen of international renown, such as Mr. Carter, a former President of the United States, and Mr. Nyerere, a former President of the United Republic of Tanzania. However, the talks had been broken off because of the rebels' intransigence and peace seemed as far away as ever. The port of Massawa remained closed and starvation was threatening millions of people in Eritrea and Tigre. Although the Government of Ethiopia had stated repeatedly that it intended to open the port of Massawa to all the donor countries, the intransigence and insensitivity of the rebels had prevented the World Food Programme, to which the United Nations Secretary-General had entrusted the task of rehabilitating the port, from carrying out its mission. Lastly, he thanked all the donors, and in particular the European Community, for their generous assistance to the victims of drought in his country, and expressed his appreciation for their material, political and diplomatic support in the quest for a peaceful solution which would also guarantee the inviolability and territorial integrity of Ethiopia.

The meeting rose at 5.15 p.m.